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Government of the Republic of Macedonia

LAW ON ENFORCEMENT
With incorporated changes from April 2006

Skopje, May, 2006

LAW ON ENFORCEMENT

Part One

BASIC PROVISIONS

Article 1

- (1) This Law shall regulate the rules according to which enforcement agents act for forcible enforcement of a court decision for fulfillment of an obligation.
- (2) The provisions of this Law shall also apply to forcible enforcement of a decision passed in an administrative procedure for the fulfillment of a monetary obligation, only if it is not regulated differently by another law.
- (3) The provisions of this Law shall also apply to enforcement against a ship and aircraft.

Grounds for Enforcement and Initiating the Procedure

Article 2

- (1) The enforcement title shall be the ground for enforcement.
- (2) The enforcement shall commence on the request of the creditor.
- (3) The enforcement of the enforcement title can be carried out only by one enforcement agent.
- (4) The enforcement of collecting fines and expenses pronounced in civil, misdemeanor, criminal and administrative procedures, shall commence upon a request of the Public Attorney of the Republic of Macedonia.

Jurisdiction

Article 3

- (1) The enforcement agent shall carry out the enforcement.
- (2) The enforcement agent can not refuse the carrying out of the enforcement, except in the case where the conditions for his recusal from the enforcement are fulfilled and if he is aware that the same enforcement title is enforced by other enforcement agent.

Extent of Enforcement

Article 4

The enforcement for a collection of a monetary claim shall be carried out to the extent that is necessary for the settlement of such claim.

Protection of a Debtor

Article 5

- (1) The enforcement for collection of a monetary claim cannot be carried out against objects or rights essentially necessary to fulfill the fundamental living needs of the debtor and the persons which, according to law, he/she is obligated to support, or for performing the independent business that is the main source of funds for existence of the debtor.
- (2) During the enforcement, attention shall be paid to preserving the dignity of the debtor and making the enforcement less unfavorable for the debtor.

Urgency and Order of Actions

Article 6

During the enforcement, the enforcement agent shall be obligated to act immediately and to deal with the cases in the order in which they were received, unless otherwise indicated by the nature of the claim or any special circumstances.

Order of Settlement of Several Creditors

Article 7

Several creditors, who fulfill their monetary claims from the same debtor and against the same object for enforcement, shall be settled following the order in which they have acquired the right to settlement against such object, except in cases for which this Law provides otherwise.

Enforcement of a Decision of a Foreign Court

Article 8

Enforcement of a decision of a foreign court may be carried out in the Republic of Macedonia, provided the decision meets the requirements for recognition prescribed by law or international treaty, ratified in accordance with the Constitution of the Republic of Macedonia.

Enforcement against Property of a Foreign State

Article 9

Enforcement against property of a foreign country in the Republic of Macedonia can not be carried out without previous consent from the Government of the Republic of Macedonia, upon a proposal from the Ministry of Justice, unless the foreign state has explicitly agreed with the enforcement.

Application of Provisions of the Law on Civil Procedures

Article 10

- (1) During the enforcement the provisions from the Law on Civil Procedure shall apply accordingly, unless otherwise provided by this or other law.
- (2) The provisions from the Law on Civil Procedure which refer to the usage of the languages, shall apply in the enforcement, as well.

Significance of Certain Terms

Article 11

Certain terms used in this Law have the following meaning:

1. the term "**claim**" denotes a right to collect an amount of money or the right to do or not to do something, or enduring;
2. the term "**creditor**" denotes a person whose claim is being fulfilled;
3. the term "**debtor**" denotes a person against whom the claim is being fulfilled;
4. the term "**party**" denotes the creditor and the debtor;
5. the term "**participant**" denotes a person who realizes some right or some legal interest in the enforcement but who is not a party in the enforcement;
6. the terms "**enforcement agent**", "**deputy enforcement agent**" and "**assistant enforcement agent**" denote persons who performs public authorizations determined with law, appointed according to the provisions of this Law, who decide directly on the actions to be taken, within their authorizations, in order to carry out the enforcement decision and take up the enforcement actions;
7. the term "**farmer**" denotes a person to whom the agricultural production is the main source of income;
8. the terms "**public book**" and "**registers**" denote: Deed of Ownership Registry, the Cadastre of Real Estate, the Central Depository for Securities, the Central Registry of the Republic of Macedonia - Pledge Registry, an Intabulation Protocol maintained by basic court, the Central Registry of the Republic of Macedonia - Registry of Non-Resident Real Estate Investments in the Republic of Macedonia, Registry of Aircrafts of the Republic of Macedonia, the Unique Tax Payers Registry, the Bankruptcy Evidence Registry, the Court Registry, the Trade Registry, the Unique Registry of Account Holders, the Registry of Motor and Towing Vehicles, and Records of the Registered Motor and Towing Vehicles;
9. the term "**encashment**" denotes the conversion of property and property rights into cash;

10. the term “**salary**” denotes all the incomes of the debtor on the grounds of current and passed labour.

PART TWO THE ENFORCEMENT

Section One JOINT PROVISIONS

Chapter One

ENFORCEMENT TITLE

Article 12

(1) Enforcement titles are:

- 1) an enforceable court decision and court settlement;
- 2) an enforceable decision and settlement in an administrative procedure if designed for fulfillment of a monetary obligation;
- 3) enforceable public notary title;
- 3a) the conclusion of the enforcement agent determining the enforcement expenses and
- 4) other titles considered under the law to be enforcement titles.

(2) Confirmation for enforceability shall be issued by the court, respectively the body that has decided on the request in the first instance.

(3) The unfounded confirmation for enforceability shall be rendered invalid with a decision by the same court, respectively the body, upon a request or ex-officio.

Decision and Settlement

Article 13

- (1) A court decision, as provided by this Law, shall be considered to be a judgment, decision, payment order or other order pronounced by the courts, the elected courts and the arbitrages, while a court settlement shall be considered to be the settlement concluded before these courts.
- (2) A decision in an administrative procedure, as provided by this Law, shall be considered to be a decision or conclusion reached by a state administration body or a legal entity, passed in the course of the performance of their public authorizations, determined with law, whereas a settlement in an administrative procedure shall be considered to be a settlement concluded in accordance with the Law on General Administrative Procedure.

Enforceability of a Decision

Article 14

- (1) A court decision is enforceable if it has become final and if the time limit for voluntary fulfillment of the debtor's obligation has expired.
- (2) A decision reached in an administrative procedure is enforceable if it has become final and if the time limit for voluntary fulfillment of the obligation has expired.
- (3) The time limit for voluntary fulfillment of the obligation shall start to run from the day the decision was delivered to the debtor.
- (4) Based on a decision that has become enforceable in a part, the enforcement shall be carried out only for that part.
- (5) The enforcement shall also be carried out on the basis of a court decision that has not become final and a decision reached in an administrative procedure that has not become final, if it is provided by law that the appeal shall not postpone the enforcement of the decision.

Enforceability of a Settlement

Article 15

- (1) A court settlement, respectively a settlement concluded in an administrative procedure shall be enforceable if the claim became due after the settlement has been concluded.
- (2) The maturity of a claim shall be proven by the minutes of the settlement, or with a verified title according to the law.
- (3) A maturity that cannot be proven as provided in paragraph (2) of this Article shall be proven with a final decision, reached in a civil procedure which verifies the maturity.
- (4) On the basis of a settlement that has become enforceable in one part, the enforcement shall be carried out only in that part.

Enforceability of a Public Notary Title

Article 16

- (1) The public notary title shall be an enforceable title if it has become enforceable with a special provision that regulates the enforceability of such title.
- (2) On the basis of a public notary title that has become enforceable in one part, the enforcement shall be carried out only in that part.

Eligibility of an Enforcement Title for Enforcement

Article 17

- (1) An enforcement title shall be eligible for enforcement if the names of the debtor and the creditor, as well as the object, the type, the scope and time limit for the fulfillment of the obligation are specified therein.
- (2) If the time limit for voluntary fulfillment of the obligation is not specified in the enforcement title, the enforcement agent shall summon the debtor, with an invitation, within eight (8) days from the day of delivery of the invitation to fulfill the obligation determined in the enforcement title.

Payment of Default Interest

Article 18

If the procedure expenses are specified in the enforcement title, upon request by the creditor, the enforcement agent shall calculate and collect the default interest on the amount of the determined expenses at the statutory rate for the period between the date of issuing the enforcement title and the collection.

Transfer of Claim or Obligation

Article 19

- (1) Enforcement shall also be carried out upon request from a person who is not specified as the creditor in the enforcement title if s/he proves, with a public or a legally verified title, that the claim has been transferred to him/her or that it has passed on to him/her in some other way; however, if this is not possible, the transfer of the claim shall be proven with a final decision reached in a civil procedure.
- (2) The provision from paragraph (1) of this Article shall also apply accordingly to enforcement against a person who is not specified as a debtor in the enforcement title.

Conditional and Mutual Obligation

Article 20

- (1) The enforcement that depends on a previous fulfillment of an obligation by the creditor, or is subject to a condition, shall be carried out if the creditor proves with a public or legally verified title that he/she has fulfilled the obligation, respectively that the condition is fulfilled.
- (2) The fulfillment of the obligation, respectively the fulfillment of the condition shall be proven with a final decision reached in a civil

procedure if the creditor can not prove it in the manner stipulated in paragraph (1) of this Article.

- (3) If, according to the enforcement title the debtor is obligated to fulfill the obligation, but under condition that at the same time the obligation towards him/her is also fulfilled, the enforcement agent shall carry out enforcement if the creditor submits proof that he/she has secured the fulfillment of his/her obligation.
- (4) It shall be considered that the creditor has secured the fulfillment of his/her obligation, as provided in paragraph (3) of this Article, if he/she deposits the object of the obligation at a court or acts in some other appropriate manner for the same purpose.
- (5) A creditor who claims to have already fulfilled his/her obligation should prove that in the manner provided in paragraphs (1) and (2) of this Article.

Alternative Obligation by Choice of the Debtor

Article 21

- (1) If, according to the enforcement title the debtor is entitled to choose among several objects of his/her obligation, the creditor shall be obligated to specify in his/her request for enforcement the objects with which the obligation should be fulfilled.
- (2) The debtor shall have the right of choice, up to the moment when the creditor has not received, even partially, the objects that he/she asked for in the request for enforcement.

Facultative Authorization of a Debtor

Article 22

A debtor, against whom a non-monetary obligation was pronounced in an enforcement title with the right to be able to free himself/ herself from the fulfillment of that obligation by paying the amount of money, specified in the enforcement title, may pay this amount up to the moment when the creditor has not received, even partially, the fulfillment of the obligation.

Means of Enforcement

Article 23

The enforcement for fulfillment of a monetary claim can be carried out only by: sale of movable objects, sale of real estate, sale of securities and parts of companies, transfer of a monetary claim, conversion into cash of other property rights, and transfer of funds maintained on the account at a payment operations organization, in accordance with the regulations that govern the payment operations.

Object of Enforcement

Article 24

An object of enforcement for the purpose of settling a monetary claim can be any objects or property right belonging to the debtor that is not exempt from enforcement by law, respectively if the enforcement against them is not limited by law.

Obligation for Cooperation

Article 25

- (1) The debtor shall be obligated, upon a request from the enforcement agent to disclose all the necessary data about his/her personal property and income, necessary for the enforcement of the enforcement title.
- (2) For disclosing incorrect or incomplete data or not giving any data about the property and income, the debtor and the responsible person of the legal entity, when the debtor is a legal entity, shall be held responsible as for giving a false statement in a procedure in front of a court.

Annulment of the Transactions

Article 26

- (1) The transactions undertaken before the enforcement of the enforcement title, that are necessary for the fulfillment of the claims of the creditor, or with which certain creditors are placed in more favorable position, or that are undertaken only in order to obstruct the enforcement against that property, shall have no legal effect over the enforcement of the enforcement title.
- (2) The transactions from paragraph (1) of this Article shall be considered void if undertaken in the period of 6 months before the passing of the enforcement title.

Submitting a Request for Enforcement

Article 27

- (1) The creditor shall submit the request for enforcement of the enforcement title to the enforcement agent.
- (2) The enforcement agent shall be obligated to act upon the request for enforcement.
- (3) With the handing in of the enforcement title, whose enforcement is requested, the enforcement agent shall be authorized to choose assets for enforcement and objects belonging to the debtor for the complete enforcement of the enforcement title.

Withdrawal of the Request for Enforcement

Article 28

- (1) In the course of the procedure, the creditor can withdraw the request for enforcement completely or partially, without the consent from the debtor.
- (2) In that case the enforcement agent shall stop the enforcement.
- (3) After the withdrawal of the request, the creditor can submit a new request for enforcement.

Stopping the Enforcement

Article 29

- (1) If the death of a party or its legal representative occurred during the course of enforcement, the enforcement shall be stopped.
- (2) For stopping the enforcement, the enforcement agent shall inform the heirs of that party, if they are known and if their place of dwelling is known, as well as the other party.
- (3) If the heirs and the legal representative are unknown, or their place of dwelling is unknown, the enforcement agent shall ask from the competent court to appoint a temporary legal guardian without delay.
- (4) When the party that is a legal entity will cease to exist, or legal consequences have occurred from the opening of a bankruptcy procedure, the enforcement shall be stopped.

Guaranty

Article 30

- (1) When this Law proscribes depositing a guaranty, the amount of the guaranty shall be deposited in cash in the court.
- (2) The Republic of Macedonia and state bodies shall not deposit guaranties.

Chapter Two ENFORCEMENT AGENT

Article 31

- (1) An enforcement agent shall be a person appointed in accordance with the provisions of this Law.
- (2) The enforcement agent shall be appointed for the territory of a basic court, and shall enforce the enforcement titles of the court or the body which seat is located in territory for which he/she is appointed and during the performance of the enforcement shall take up actions on the overall territory of the Republic of Macedonia.
- (3) The enforcement agent can perform other actions if so provided by the law.

- (4) The number of enforcement agents for the territory of the basic court shall be determined by the Minister of Justice, on the basis of previously obtained opinion from the president of the basic court on the number of final and enforceable decisions of the basic court, and from the Government of the Republic of Macedonia data on the final administrative decisions pronounced for monetary claims that could be object for enforcement.

Conditions for Appointing an Enforcement Agent

Article 32

- (1) A person can be appointed as enforcement agent if he/she fulfils the following conditions:
1. to be a citizen of the Republic of Macedonia;
 2. to have trial capacity and be in good general health condition;
 3. to have completed the Law School;
 4. to have at least five years of working experience in legal matters or three years in enforcement matters;
 5. to have passed the enforcement agent exam according to the programme proscribed by the Minister of Justice;
 6. to have active knowledge of the Macedonian language;
 7. not to be convicted by final court decision to an unconditional sentence of over six months imprisonment, or not to be banned from practicing his profession as an enforcement agent;
 8. to have the equipment and the facilities required and appropriate for carrying out enforcement actions; and
 9. to give a statement before a public notary about his/her property condition, with all the consequences for giving a false statement.
- (2) The condition under paragraph (1), item 6 of this Article shall be proved by completed education in the Republic of Macedonia, if the education was completed abroad, with a certificate of active knowledge of the Macedonian language, issued by the Faculty of Philology with the University "Kiril and Metodij" – Department for Macedonian Language and Southern Slavic Languages.
- (3) The Minister of Justice shall prescribe the type of the equipment and office space necessary for the fulfilment of the condition under paragraph (1), item 8 of this Article.
- (4) The condition under paragraph (1), item 9 of this Article, foresees a statement given in front of a public notary, where the person will state his/her financial condition, regarding the property condition, financial claims, obligations, debts and similar, all that conditioned with the consequences for the criminal act giving a false statement (Article 367 Criminal Code).

Appointing an Enforcement Agent

Article 33

- (1) The Minister of Justice shall appoint the enforcement agent on the basis of a competition.
- (2) The competition for appointing enforcement agents shall be announced by the Ministry of Justice in the "Official Gazette of the Republic of Macedonia" and in at least two daily newspapers.
- (3) The time limit for the competition shall be fifteen days from the day of announcement in the "Official Gazette of the Republic of Macedonia".
- (4) Along with applications for the competition the candidates must submit a CV and evidences for satisfying the conditions for being appointed as enforcement agent.
- (5) The Minister of Justice shall carry out the selection of candidates that satisfy the conditions for appointment.
- (6) Against the decision of the Minister of Justice, the candidate who is not appointed for enforcement agent shall be entitled to file an appeal, within 15 days from the day of reception of the decision, to the Second Instance Commission of the Government of the Republic of Macedonia.

Solemn Statement, Declaration for Appointment and Initiation with Work.

Article 34

- (1) After the appointment the enforcement agent shall be obligated to give a solemn statement before the Minister of Justice.
- (2) The wording of the solemn statement is the following:
"I declare that I will carry out the enforcement actions consciously, honestly and impartially, in accordance with the Constitution of the Republic of Macedonia and laws of the Republic of Macedonia and I will protect the interests of the parties."
- (3) After giving the solemn statement, the Minister of Justice shall hand over to the enforcement agent the declaration of appointment.
- (4) Only the enforcement agent appointed by the Minister of Justice can use the title enforcement agent.
- (5) The Chamber of Enforcement Agents (hereinafter the Chamber) shall immediately determine and publish the date of the start with work of the enforcement agent in the "Official Gazette of the Republic of Macedonia" after the enforcement agent submits a proof for appointment, the declaration for appointment and concluded agreement for damage insurance caused to third party.
- (6) If the enforcement agent does not start with work within 3 (three) months after the date of the initiation of the work was published in the "Official Gazette of the Republic of Macedonia", it shall be considered that he/she has not started with work at all.

- (7) Before the expiration of the time limit determined in the paragraph (6) of this Article the enforcement agent may request from the Minister extension of the time limit for another three months due to health reasons of the enforcement agent, personal or within his/her close family.
- (8) The appointed enforcement agents shall be registered in the Enforcement Agents Directory, maintained by the Chamber.

Seat, Stamp and Seal, Signature and Account

Article 35

- (1) The seat of the enforcement agent shall be located within the territory of the basic court for which he/she has been appointed.
- (2) The seal and the stamp of the enforcement agent shall contain the national emblem of the Republic of Macedonia, the enforcement agent mark, the personal name of the enforcement agent and the location of his/ her seat. The president of the basic court, for the territory of which the enforcement agent is appointed, shall approve and verify the marks of the seal and the stamp, and they will be deposited in the court and the Chamber.
- (3) After the giving the solemn statement, the enforcement agent shall deposit his/her signature in the basic court for the territory of which he/she is appointed.
- (4) The enforcement agent before starting to work, apart from his/her regular account, has to open a separate account with one of the payment operations organizations, where only the money from the completed enforcements will be deposited and will be used exclusively for settlement of the creditors. The enforcement agent shall be obligated to transfer immediately to the account of the creditor the money from the realized enforcements that are located at the special account, latest the first following working day after the realization of the enforcement.

Identification Card

Article 36

- (1) The Ministry of Justice shall issue identification cards to the appointed enforcement agent, deputy enforcement agent and assistant enforcement agent.
- (2) The Minister of Justice shall determine the form and the content of the identification card, the manner of issuing and taking it away.
- (3) The enforcement agent, deputy enforcement agent and assistant enforcement agent shall be obligated to show their identification card during the performance of the enforcement actions.

Start with Work of the First Enforcement Agents

Article 37

The Minister of Justice for the first-appointed enforcement agents, until the establishment of the Chamber, shall determine, with a decision, the day of initiation of the work of the enforcement agent, since previously the enforcement agent has presented:

- proof for the appointment
- declaration for appointment; and
- concluded agreement for damage insurance for the damage caused to third parties.

Records of Enforcement Agents

Article 38

- (1) The Ministry of Justice shall keep records of enforcement agents, deputy enforcement agents and assistant enforcement agents.
- (2) In the records form paragraph (1) of this Article the following data shall be registered:
 - name, date of birth and seat of the enforcement agent;
 - date of appointment for enforcement agent;
 - the territory of the basic court for which the enforcement agent is appointed;
 - disciplinary measures imposed to the enforcement agents and a copy of the decisions of the disciplinary committee;
 - name, date of birth of the deputy enforcement agent or the assistant enforcement agent and the name of the enforcement agent in whose office he/she works, as well as the disciplinary measures that were imposed to the deputy enforcement agent and to the assistant enforcement agent .
- (3) The Ministry of Justice shall determine the manner of keeping records.

Ban for Performing other Activities and Functions

Article 39

- (4) The enforcement agent can not perform public functions or managerial, supervisory and administrative functions in trade companies, state institutes, collection services, trade activities, intermediary, public notary or attorney activities.
- (5) The enforcement agent can not be employed by a religious community or religious group.
- (6) The ban from paragraphs (1) and (2) of this Article does not refer to performing scientific, artistic and educational activities, the work of a court interpreter, as well as performing activities in the Chamber and international associations of enforcement agents.

Chapter Three

ENFORCEMENT ACTIONS

Article 40

- (1) The enforcement agent can take up the following actions:
- receives written and oral requests for enforcement;
 - performs service of court writ;
 - performs delivery of orders, minutes, conclusions and other documents that are related to his work;
 - conducts personal identification of the parties and the participants in the enforcement;
 - gathers data on the property condition of the debtor for the purpose of the enforcement;
 - passes orders and conclusions, creates minutes, requests and official notes in accordance with the provisions of this Law;
 - performs inventory, evaluation, seizure and sell of movable objects, rights and real estate, receives assets from the debtor, transfers into possession, allocates assets;
 - performs evictions and other enforcement actions necessary to carry out the enforcement, which are regulated with law and sub-regulations
 - performs the announcing in the media
 - also carries out other activities stipulated with the law.
- (2) or the sell of movable objects, the enforcement agent, on his own expense, can give a proxy to a commissioner.
- (3) *In taking enforcement actions*, the enforcement agent prepares orders, conclusions, minutes, requests, official notes and other documents in form and content prescribed by the Minister of Justice. The documents which do not conform to the prescribed form and content will be considered invalid.

Obligation for Cooperation with the Enforcement Agents

Article 41

- (1) For the purpose of having unobstructed enforcement, the enforcement agent shall be entitled to have access to all information and data from the employer, banks, public books and registers for a specific debtor.
- (2) The enforcement agent while carrying out the enforcement shall be entitled to ask for data or assistance from a state body.
- (3) The state body shall be obligated to cooperate with the enforcement agent.

Carrying out Enforcement Actions and Employment of other Persons

Article 42

- (1) Enforcement actions shall be carried out personally by the enforcement agent, or by the deputy enforcement agent or assistant enforcement agent upon the authorization of the enforcement agent.
- (2) The persons authorised by the enforcement agent shall act on behalf and for the account of the enforcement agent.
- (3) For individual actions, while carrying out the enforcement, if there is a need, the enforcement agent can employ other persons as well.

Damage Liability

Article 43

- (1) The enforcement agent shall be held liable for all the damage that he/she caused towards third parties, by illegal performance of enforcement actions and by lack of fulfilment of the duties that he/she has as enforcement agent according to this Law. As third parties shall be considered all persons to whom damage was caused, with the exception of the persons from Article 44 of this Law.
- (2) The enforcement agent shall be held accountable for the damage that resulted from the performance of single actions caused by the persons from Article 42 of this Law
- (3) The illegal performance or the lack of performance of the duties specified with this Law shall be determined with a decision from the president of the court, passed in accordance with the provisions of Article 77 of this Law.
- (4) The lowest insurance amount for which the enforcement agent shall be obligated to conclude an insurance contract is 50,000.00 euros in the denar equivalent value.

Recusal of the Enforcement Agent

Article 44

- (1) The enforcement agent, the deputy enforcement agent and assistant enforcement agent can not take up any actions upon a specific case if:
 - is a party, a legal representative or authorized agent, has a relationship of co-ownership with the party, is a joint debtor, is a retroactive debtor, or if was heard as a witness or an expert witness, or has participated in the court decision making or in the decision of other body;
 - if the party, the legal representative, or the authorized agent, is a blood relative in the straight line to any degree of succession, and in the sideline to the fourth degree of succession or is a spouse by marriage or common law partner, or in-law relative to the second degree, regardless whether the marriage was terminated or not;
 - is a guardian, adoptive parent, adopted child, caretaker or dependent of a party, of the legal representative of the party, or authorized agent.

- (2) If the enforcement agent, the deputy enforcement agent and assistant enforcement agent acted contrary to paragraph (1) of this Article, the actions taken up by the competent court in a civil procedure shall be declared void.

Keeping Records of the Requests for Enforcement

Article 45

- (1) The enforcement agent shall be obligated to keep records about the received requests for enforcement that he/she receives for enforcement.
- (2) The Minister of Justice shall set the form and the manner of keeping records.

Award for the Enforcement Agent

Article 46

- (1) The enforcement agent shall be entitled to charge award according to a tariff for the undertaken actions.
- (2) The tariff for award of the enforcement agents shall be prescribed by the Minister of Justice upon a proposal of the Chamber of Enforcement Agents.

Chapter Four

DEPUTY ENFORCEMENT AGENT AND ASSISTANT ENFORCEMENT AGENT

Deputy Enforcement Agent

Article 47

- (1) The enforcement agent has deputy enforcement agent, who shall replace the enforcement agent when he/she cannot perform his/her enforcement actions due to illness, absence or temporary taking away of the right for performing the profession –suspension. The Minister of Justice, upon a proposal from the enforcement agent, shall appoint the deputy enforcement agent for a definite or indefinite period of time.
- (2) As deputy enforcement agents may be appointed:
 - other enforcement agent;
 - a person who fulfils the requirements for appointment as an enforcement agent and works in the office of the enforcement agent;
 - the dismissed enforcement agent himself in the event of dismissal from office due to fulfilling the retirement conditions, but not longer than one year.
- (3) The person from paragraph (2), line 2 of this Article, who is appointed as deputy enforcement agent for the first time, shall give the solemn statement stipulated in Article 34 paragraph (2) of this Law.
- (4) The duty of the deputy enforcement agent shall end by:
 - dismissal by the Minister;

- return to duty of the enforcement agent whose deputy he/she was, after previously informing the Minister of Justice;
- by expiry of the term for which he/she was appointed.

Rights, Obligations and Responsibilities of the Deputy Enforcement Agent

Article 48

- (1) A deputy enforcement agent shall have the same rights, obligations and responsibilities as the enforcement agent.
- (2) The enforcement agent shall be obligated to grant the deputy enforcement agent access to his/her records.
- (3) The deputy enforcement agent shall take over the records and continues to work with the records of the enforcement agent.
- (4) The actions undertaken by the deputy enforcement agent shall be subject to additional consent by the enforcement agent.
- (5) When carrying out enforcement actions the deputy enforcement agent shall state his capacity. Besides his own name and family name, he shall also state the name, family name and place of practice of the enforcement agent whom he replaces.

Assistant Enforcement Agent

Article 49

- (1) An assistant enforcement agent shall be a person who according to the provisions of this Law assists the enforcement agent while carrying out the enforcement actions.
- (2) A person may be appointed an assistant enforcement agent if he/she fulfils the following conditions:
 - 1) to be a citizen of the Republic of Macedonia
 - 2) to be capable to work and to be in good general health condition;
 - 3) to have completed Law School;
 - 4) to have at least five years of working experience in legal matters or three years in enforcement matters;
 - 5) to have active knowledge of Macedonian language;
 - 6) not to be convicted with final court decision to an unconditional sentence of over six months imprisonment.
- (3) Subject to the prior approval of the Minister of Justice, the enforcement agent shall appoint a person who will work at his/her office as assistant enforcement agent.
- (4) The request for approval from paragraph (3) shall be filed by the enforcement agent and the assistant enforcement agent jointly and shall contain:
 - the family name, first name, place and date of birth of the assistant enforcement agent and the unique birth registry number of the citizens (hereinafter UBRN);

- the family name, first name and place of practice of the enforcement agent;
 - if the assistant enforcement agent has been previously working as an assistant enforcement agent, the period during which he/she did so, and the names and places of practice of the enforcement agents where he/she has been working as an assistant enforcement agent previously.
- (5) The Minister of Justice shall determine the term for which the appointment is valid, and the number of assistant enforcement agents that can work simultaneously under the responsibility of one enforcement agent.
 - (6) The approval from paragraph (3) of this Article can be withdrawn if the assistant enforcement agent while undertaking enforcement actions acts contrary to the provisions of this Law, or he/she affects the reputation or the work of the office of enforcement agent.
 - (7) Once issued, the approval form the Minister of Justice shall be valid until it is withdrawn.
 - (8) At the request of the appointed assistant enforcement agent the approval shall be withdrawn.

Rights, Obligations and Responsibilities of the Assistant Enforcement Agent

Article 50

- (1) While carrying out the enforcement actions the assistant enforcement agent shall state his/her capacity. Besides his/her first name and family name, he/she shall state the first name and the family name and place of practice of the enforcement agent for whom he acts.
- (2) The assistant enforcement agent shall not undertake any enforcement actions if for the enforcement agent a deputy enforcement agent has been appointed, except if the Minister of Justice has granted him/her authorization, to continue working as assistant enforcement agent under the authorization of the deputy enforcement agent.

Reasons for Termination of the Work of Assistant Enforcement Agent

Article 51

The work of the assistant enforcement agent shall end by:

- written notification of the withdrawal of the appointment by the enforcement agent who made the appointment to the Minister of Justice and to the assistant enforcement agent;
- the dismissal or death of the appointed enforcement agent;
- withdrawal of the approval or the expiry of the time limit for which the approval was granted, as stipulated in Article 49 paragraph (5) and (6);
- appointment of the assistant enforcement agent as enforcement agent.

Chapter Five SUPERVISION OVER THE WORK OF THE ENFORCEMENT AGENTS

Regular Supervision over the Work

Article 52

- (1) The Ministry of Justice shall carry out a regular supervision of the work of enforcement agents and the Chamber, at least once a year.
- (2) The enforcement agents and the Chamber shall be obligated to provide insight into the acts and the records that they have to the authorised persons from the Ministry of Justice.
- (3) The supervision by the Ministry of Justice shall be performed in the presence of the enforcement agent that is being supervised, the President of the Chamber, or a person authorised by the President of the Chamber, if the supervision is performed over the work of the Chamber.
- (4) A report shall be composed for the concluded supervision that is delivered to the Chamber and to the State Auditors Bureau.

Extraordinary Supervision

Article 53

The Ministry of Justice can perform extraordinary supervision over the work of the enforcement agent at any time ex-officio or upon a request from the president of the court, in accordance with the regulations determined in Article 52 of this Law.

Chapter Six

DISCIPLINARY RESPONSIBILITY OF THE ENFORCEMENT AGENTS

Disciplinary Responsibility of the Enforcement Agent

Article 54

- (1) The enforcement agent shall be punished for negligence or disciplinary violation if while working, with his/her behaviour, violates the official duties while carrying out the enforcement actions, or if he/she performs official duties in an illegal manner, or is personally responsible for the delay the actions, or with his/her behaviour in the private life damages the honour and the reputation of a person with public authorisations.
- (2) Negligence shall be every minor violation of the official duty, which is not a disciplinary violation.
- (3) The enforcement agent shall commit a disciplinary violation if:
 - a) was elected, deliberately covering the existence of the legal obstacles (extremely severe violation that leads to dismissal);
 - b) has violated the duty determined with this Law and therefore seriously threatened the trust in his/her impartiality and in the actions that he/she undertakes, especially if undertaking action that according to the law is exempt (extremely severe violation);

- c) contrary to the enforcement tariff asks for higher award (severe violation);
 - d) looks for parties with a promise to decrease the award, through a mediator or in another indecent manner (intermediate violation);
 - e) avoids the obligation for continuous professional development and education that is carried out through seminars and lectures (intermediate violation);
 - f) asks for data for persons who are not debtor in his/her specific case (severe violation);
 - g) brutally injures the dignity of the debtor and the family of the debtor (severe violation);
 - h) keeps records in incorrect and untidy manner (severe violation);
 - i) on a public sale or during another procedure, which he/she is carrying out as enforcement agent, buys for himself/herself or for his/her relatives objects or rights (severe violation);
 - j) receives salary for performing state or some other permanent public or private service, if he/she performs supervisory or administrative work, or trades or carries out intermediary activities or performs a profession that is not in accordance with the reputation, honor or independence of the enforcement agent, if he/she concludes agreements under his/her name for other persons or under the name of another person for himself/herself, or if he/she participates in the work where he/she takes up official duties as enforcement agent and transfers on his/her account the money that he/she is entrusted to guard contrary to the provisions of this Law (extremely severe violation) and
 - k) during the time when the right for performing the profession is temporary taken away, carries out enforcement actions or in another manner avoids the penalty (extremely severe violation).
- (4) With the Bylaws of the Chamber other disciplinary violations may be determined.

Disciplinary Measures for Negligence

Article 55

Disciplinary measures for negligence shall be:

- a) oral or written warning; and
- b) fine, up to 500 Euros in the denar equivalent value on the day of payment according to the middle exchange rate of the National Bank of the Republic of Macedonia, to be paid in five equal monthly rates the most.

Disciplinary Measures for Disciplinary Violations

Article 56

- (1) Disciplinary measures for disciplinary violations of the enforcement agent shall be:
 - a) oral reprimand given to the enforcement agent in the presence of the president of the Chamber, with a warning not to repeat the violation;
 - b) written warning that is put out to stand at the doors of the meeting room of the Chamber for 30 days;
 - c) fine up to 1500 Euros in the denar equivalent value according to the middle exchange rate of the National Bank of the Republic of Macedonia, to be paid in six equal monthly rates the most;
 - d) temporary taking away the right for performing the profession in duration from one month to one year;
 - e) taking away the right for performing the profession.
- (2) Disciplinary measure shall be pronounced proportionally with the committed violation, in the following order:
 - a) oral reprimand and written warning are pronounced for minor violations;
 - b) fine shall be pronounced for intermediate violations;
 - c) the penalty temporary taking away the right for performing the profession shall be pronounced for severe violations;
 - d) the penalty taking away the right for performing the profession shall be pronounced for extremely severe violations and in all other cases of incapability for performing the function enforcement agent;
 - e) in case of repeated violation carried out within a period of one to five years, a harsher penalty will be applied, until reaching the penalty taking away the right of performing the profession.
- (3) The disciplinary measure taking away the right for performing the profession shall be especially pronounced if:
 - the enforcement agent was appointed, while consciously hiding the existence of legal obstacles for that; and
 - during the time for which his/her right to perform the profession is temporary taken away, he/she carries out enforcement actions or avoids the penalty in any other way.
- (4) If with the committed disciplinary violation the enforcement agent has gained illegal profit in property, the fine can be pronounced up to the double amount of that profit, regardless of the limitations of paragraph (1), item c of this Article.

Erasing From the Records

Article 57

The enforcement agent which charged with a disciplinary penalty taking away the right for performing the profession shall be erased from the Records of the enforcement agent.

Obsolescence for Initiation of Disciplinary Procedure

Article 58

- (1) The obsolescence time limit for initiating a disciplinary procedure is two years.
- (2) The obsolescence shall start to run from the day the disciplinary violation is committed.
- (3) The interruption of the obsolescence shall appear with every process action that is taken up for initiation of procedure for the committed disciplinary violation.
- (4) The obsolescence for initiation of a procedure for disciplinary violation shall occur for every case after the expiration of 4 years from the day the violation was committed.

Disciplinary Body

Article 59

- (1) The Disciplinary Committee of the Chamber shall decide in the first instance of the disciplinary procedure.
- (2) The members of the Disciplinary Committee shall be elected by the Assembly of the Chamber.
- (3) The Disciplinary Committee shall carry out the disciplinary procedure upon a filed report and reaches a decision on it.
- (4) The Disciplinary Committee shall be composed of five members out of which: three judges from the territory of the basic court for which the enforcement agent is appointed and two members from the Chamber.
- (5) The initiation of the disciplinary procedure can be made upon a request of the Chamber, the competent court for the territory for which the enforcement agent is appointed, the parties and the participants in the enforcement.
- (6) Against the decision of the disciplinary committee it shall be allowed to file an appeal to the Minister of Justice.
- (7) Against the decision of the Minister of Justice the enforcement agent shall be entitled to initiate an administrative dispute.
- (8) Other issues related to the work of the Disciplinary Committee shall be regulated with the Bylaws and the other acts of the Chamber.

Temporary Ban for Performing the Profession

Article 60

- (1) For the enforcement agent against whom a procedure for severe violation and extremely severe violation has been initiated, in order to protect the dignity of the profession, upon the request from the Disciplinary Commission, respectively in the event from paragraph (2) of this Article upon information from the court, the Minister of Justice can reach a decision that bans temporarily the performing of the profession up until the completion of the disciplinary procedure.
- (2) Temporary ban for performing the profession shall be determined always if:
 - a) an investigation has been initiated against the enforcement agent for criminal act caused by greed and
 - b) a non-final decision has been brought against the enforcement agent that banned him/her with a sanction to perform the profession.
- (3) The temporary ban for performing the profession shall be revoked as soon as the reasons that caused it will be terminated.
- (4) For the decisions from paragraphs (1), (2) and (3) of this Article, the Disciplinary Committee shall inform the president of the basic court for the territory of which the enforcement agent is appointed and the Chamber.
- (5) The decision upon the request for temporary ban for performing the profession has to be reached as soon as possible, after the enforcement agent is given a chance, within 24 hours, to declare himself/herself.

Enforcing the Disciplinary Decisions

Article 61

- (1) The final decisions passed in a disciplinary procedure shall be enforced by the Chamber.
- (2) The final disciplinary decisions for imposed fine and for the expenses of the procedure shall have the power of enforcement title and the Chamber shall be entitled to ask for forced enforcement. The assets obtained from the forced enforcement shall be paid to the account of the Chamber and can be used only for professional development of the enforcement agents within the Chamber.
- (3) If the final disciplinary decision pronounced a measure taking away the right for performing the profession, the enforcement agent to whom that penalty was pronounced shall be erased from the Records of the enforcement agents. The final disciplinary decision that pronounced other disciplinary measure, as well as the non-final decision for temporary ban for performing the profession, shall be noted in the enforcement agents' records.

- (4) The Disciplinary measures for discipline violations, the oral and written reprimands, shall be erased from the directory after the expiration of three years, while the other disciplinary measures for discipline violations shall be erased after the expiration of five years from the day they are pronounced.
- (5) If the final disciplinary decision pronounced a disciplinary measure temporary taking away the right for performing the profession or taking away the right for performing the profession, the Ministry of Justice shall publish the pronounced penalties in the "Official Gazette of the Republic of Macedonia".

Chapter Seven

TERMINATION OF THE FUNCTION ENFORCEMENT AGENT

Reasons for Termination of the Function Enforcement Agent

Article 62

- (1) The function enforcement agent shall terminate in case of:
 - a) death;
 - b) fulfilling the conditions for age pension;
 - c) written resignation;
 - d) if convicted by final court decision to an unconditional sentence of over six months imprisonment, or if banned from practising his/her profession of an enforcement agent;
 - e) if does not start to work within 3 months from the publishing of his/her appointment in the "Official Gazette of the Republic of Macedonia" without justified reasons; and
 - f) with dismissal.
- (2) In the cases from paragraph (1) items a-e of this Article the Minister, within 15 days shall pass a decision for termination of the function, otherwise the function will stop according to the law.

Resignation

Article 63

- (1) At any time the enforcement agent can ask to be released from the authorization as an enforcement agent.
- (2) The request shall be submitted in writing to the Minister of Justice. The time limit for the release from the authorization is 3 months.
- (3) With the expiration of the time limit from paragraph (2) of this Article the authorizations of the enforcement agent shall be terminated, unless the Minister of Justice decides of another time limit due to the continuous functioning of the service. The Minister of Justice has to pass its decision before the expiration of the time limit from the paragraph (1) of this Article.

Dismissal

Article 64

- (1) The enforcement agent shall be dismissed if:
 - a) the conditions for appointment to the function stipulated in Article 32 of this Law cease to exist or if it is determined additionally that they did not exist at the time of appointment;
 - b) does not give a solemn statement;
 - c) if starts new employment or starts to use age pension;
 - d) with a court decision his legal capacity is taken away or limited;
 - e) permanently loses the capability to carry out the profession;
 - f) does not continue in an appropriate manner his liability insurance; and
 - g) has been charged with discipline measure for severe violations while carrying out the enforcement actions.
- (2) The decision for dismissal of the enforcement agent shall be brought by the Minister of Justice. The enforcement agent has to be given the opportunity to declare himself/herself regarding the reasons for dismissal before the decision is brought.
- (3) The enforcement agent shall be allowed to file an appeal against the decision from the Minister of Justice, to the Second Instance Committee of the Government of the Republic of Macedonia.

Chapter Eight

ORGANIZATION OF THE ENFORCEMENT AGENTS

The Chamber of Enforcement Agents

Article 65

- (1) The enforcement agents and the deputy enforcement agents in the Republic of Macedonia shall be obligated to join into a Chamber of Enforcement Agents.
- (2) The seat of the Chamber shall be in Skopje.
- (3) The Chamber shall have a capacity of a legal entity.
- (4) The highest body of the Chamber shall be the Assembly of the Chamber.
- (5) Other bodies of the Chamber shall be: Steering Board of the Chamber and the President of the Chamber.

Assembly of the Chamber

Article 66

- (1) The Assembly of the Chamber shall be composed of all the enforcement agents and deputy enforcement agents on the territory of the Republic of Macedonia.
- (2) The Assembly of the Chamber shall protect the respect and the honour of the profession and shall take care that the enforcement agents perform their authorizations diligently and in accordance with the law.
- (3) The organisation, the competence, the composition, the manner of selection, rights and responsibilities of the bodies of the Chamber shall be regulated with this Law, Bylaws and other acts of the Chamber.

Competence of the Assembly of the Chamber

Article 67

- (1) The Assembly of the Chamber shall:
 - a) pass the Bylaws and other acts of the Chamber;
 - b) elect members for the Steering Board, President of the Chamber and members for other bodies of the Chamber, unless otherwise determined with this Law or the Bylaws of the Chamber;
 - c) determine the draft tariff and the draft programme for continuous education of the enforcement agents, that is given for adoption to the Minister of Justice, as a proposal;
 - d) review proposals, requests and recommendations for successful work of the enforcement agents;
 - e) adopt the annual balance sheet for the previous year and draft financial plan for the following year, reviews and adopts the report for the overall activities, prepared by the President of the Chamber;
 - f) decide on the amount of the membership fee and the manner of its payment;
 - g) decide on the application of the fines, according to the provisions of this Law; and
 - h) decide on all other issues stipulated in this Law and the in the Bylaws of the Chamber.
- (2) The Assembly of the Chamber shall meet regularly once per year in the first week of the month of February. At least half of the total number of the enforcement agents has to be present at the session, and the decisions shall be passed with the majority vote of the present members.

- (3) At the regular annual session the Assembly of the Chamber shall decide about the annual balance sheet and the draft financial plan for the following year and shall review and adopt the report for the overall activities of the enforcement agents.
- (4) The President of the Chamber can convene an extraordinary session of the Assembly of the Chamber, based on a decision of the Steering Board or based on a written request of at least 30 members of the Chamber. If the President does not convene the session within one month from the day of passing of the decision by the Steering Board, respectively from the day of the submission of the request from the members of the Chamber, the session shall be convened by a member of the Steering Board, selected by this Board, respectively the members of the Chamber that have submitted the request.
- (5) The members of the Steering Board, the President of the Chamber and of the other bodies shall be elected for a period of two years.

Steering Board

Article 68

- (1) The Steering Board shall:
 - a) determine draft bylaws and other acts of the Chamber;
 - b) prepare and deliver to the Minister of Justice proposals and opinions that are related to the basic organisation of the enforcement agents, as well as all other issues related to the profession of the enforcement agent;
 - c) prepare the draft tariff that is proposed to the Assembly of the Chamber for confirmation;
 - d) undertake and carry out initiatives for reviewing issues of interest for the enforcement agents, such as the issues for social protection of the enforcement agent, establishing the solidarity fund for financial aid of the enforcement agent, as well as the fund for aid of the persons that permanently develop their skill for independent performing of the profession, and issues regarding organizing the permanent insurance of the enforcement agents;
 - e) carry out supervision over the work of the enforcement agents and give initiative for performing extraordinary inspection for initiation of disciplinary procedure;
 - f) prepare and propose the Programme for Continuous Education of the enforcement agents and carry out supervision over the capacity building of the enforcement agents and shall issue certificates for completed professional capacity building, on the basis of a confirmation issued by the enforcement agent, with whom the education was taking place;

- g) take care of the status of the enforcement agents and the relationship towards the other bodies and third persons in general;
 - h) organise the continuous capacity building of the enforcement agents by organizing seminars and lectures, in accordance with the programme confirmed by the Minister of Justice. The participation at the seminars and the lectures is obligatory for the enforcement agents, deputy enforcement agents and the assistant enforcement agents, and their unjustified absence shall be considered as a disciplinary violation;
 - i) keep directory of the enforcement agents, deputy enforcement agents and the assistant enforcement agents;
 - j) prepare the sessions of the Assembly of the Chamber;
 - k) enforce the decisions of the Assembly of the Chamber;
 - l) compose a proposal of the annual balance sheet and proposal for the financial plan for the following year;
 - m) take care of the payment of the membership fee; and
 - n) decide upon other issues which with law or with the Bylaws of the Chamber have been placed under its jurisdiction, and shall also decide upon all the issues that have not been placed under the jurisdiction of another body of the Chamber;
- (2) The number of the members of the Steering Board shall be determined by the Assembly in accordance with the Bylaws. The number of the members of the Steering Board, including the President of the Chamber, has to be an odd number.
- (3) The Steering Board of the Chamber shall be convened by the President of the Chamber or upon the request of one third of the total number of members of the Steering Board. In order for the decision of the Steering Board to be valid it is necessary more than half of the members of the Steering Board to be present at the session. As a rule, the decisions shall be passed with the majority votes of the present members of the Steering Board. The Bylaws of the Chamber shall determine separately for which cases for the validity of the decision there is a need of majority of the total number of the members of the Steering Board.

President of the Chamber

Article 69

- (1) The President of the Chamber shall be the President of the Steering Board at the same time. The Vice President of the Chamber shall be elected from the members of the Steering Board.
- (2) The President of the Chamber shall be elected with a two year mandate with a right for re-election.

- (3) The President shall represent the Chamber and shall act on behalf of the Chamber. In case he is not available, his duties shall be carried out by the Vice President and in case the Vice President is not available, by the oldest member of the Steering Board.
- (4) The President of the Chamber shall:
 - a) resolve the conflicts among the enforcement agents or between the enforcement agents and their parties and shall present his opinion in case of a dispute, which is related to the payment of the completed work;
 - b) take care that the Chamber acts in accordance with the law; and
 - c) perform other duties stipulated in the Bylaws of the Chamber.
- (5) The Steering Board of the Chamber may authorise the President of the Chamber in emergency cases to perform certain activities within his competence by himself. The President of the Chamber shall be obligated for each type of the above mentioned action to inform the Steering Board and to request permission for the undertaken action. The lack of additional approval shall not influence the legality of such legal act towards third persons.

Award and Compensation of the Members of the Bodies of the Chamber

Article 70

The President and the members of the Steering Board shall perform their function free of charge, unless otherwise determined in the Bylaws. They shall be entitled to compensation of the expenses they have in relation to the performance of their function. The Steering Board of the Chamber shall pass the decision on that matter. The Steering Board shall pass regulation for the amount and the compensation of the travel expenses.

Legal Remedies

Article 71

An administrative dispute may be initiated against all decisions passed by the bodies of the Chamber which decide on the rights and the responsibilities of the enforcement agent, unless otherwise regulated with the law.

Report on the Work

Article 72

Each year (in the month of February) the Chamber shall be obligated to submit a written report for its activities to the Minister of Justice, with elaborated opinions, proposals, and positions on the condition of the

enforcement agents, as well as the proposal for measures which has to be undertaken in order to improve those conditions.

Representatives of the Assistant Enforcement Agents

Article 73

The Bylaws of the Chamber shall regulate the number, manner of selection, rights and duties of the representatives of the assistant enforcement agents in the bodies of the Chamber, in accordance with the provisions of this Law.

Part Two

CARRYING OUT THE ENFORCEMENT

Chapter Nine

JOINT PROVISIONS

Time of Enforcement

Article 74

- (1) As a rule, the enforcements shall be carried out each day from 06:00 a.m. to 21:00 p.m.
- (2) With the permission of the president of the basic court in the territory of which the enforcement is being carried out, the enforcement can be carried out regardless the time determined in paragraph (1) of this Article.

The Actions of the Enforcement Agent

Article 75

- (1) The enforcement agent shall be obligated, during the undertake of enforcement activities in the debtor's apartment, while searching of the clothes that he/she is wearing or when undertaking any other enforcement actions, to treat the debtor and members of his/her household with due respect. For undertaking of the enforcement activities in the debtor's apartment, the enforcement agent shall provide a written approval from the president of the basic court on which territory the enforcement is carried out.
- (2) The enforcement actions in the debtor's apartment during which the debtor, his/her legal representative, authorized agent or an adult member of his/her household are not present, have to be attended by the police and two adult witnesses.
- (3) Enforcement occurring in premises of a legal entity shall be carried out when the enforcement agent, before undertaking the enforcement

action, shall request from the representative of the legal entity to be present during the action himself or to appoint another person.

- (4) When the enforcement action is to be carried out in premises that are locked, and the debtor is not present or does not want to open the premises, the enforcement agent shall open the premises in the presence of the police and two adult witnesses.
- (5) If the representative of the legal entity refuses to abide by the request of the enforcement agent or if he/she is not in the premises while the enforcement agent is carrying out the enforcement action, the action shall be carried out in presence of the police and two adult witnesses.
- (6) If the enforcement agent during the actions stated in paragraph (2), (4) and (5), cannot provide the presence of the two adult witnesses he/she may invite a public notary.
- (7) For the actions undertaken stipulated in the paragraphs (1) to (6) of this Article, the enforcement agent shall prepare separate minutes to be signed by the present witnesses and the police. If the actions of the enforcement agent were taken in the presence of a public notary, the public notary shall prepare the minutes in accordance with the Law on Performing Notary Activities.

Obstructing the Enforcement Agent While Carrying Out Enforcement Actions

Article 76

The enforcement agent shall be authorized to remove any person that is obstructing the actual enforcement, and if the circumstances of the case so require, request police assistance.

Objection Against the Irregularities During the Enforcement

Article 77

- (1) The party or the participant that considers that there are irregularities committed during the enforcement, can file an objection for removal of the irregularities to the president of the basic court on the territory of which all or part of the enforcement is carried out.
- (2) The objection for the removal of the irregularities can be filed within 3 (three) days after the day of finding out about the irregularity, but not later than 15 (fifteen) days after the conclusion of the enforcement.
- (3) The president of the court shall decide upon the objection within 72 hours after the receipt of the objection.
- (4) If necessary, the president of the court can decide to hear the parties, participants and the enforcement agent.
- (5) The objection shall be submitted for response to the parties, participants and the enforcement agent, together with the summons that specify the date and time of the hearing of the parties and participants in front of the court, if it was decided to hold a hearing.

- (6) The president of the court shall pass a decision upon the objection, within the time limit determined in paragraph (3) of this Article, regardless whether the opposing party has submitted in due time the response to the objection or stated that it does not contest the objection.
- (7) An appeal shall be not allowed against the decision of the president of the court.

Chapter Ten COUNTER-ENFORCEMENT

Reasons for Counter-Enforcement

Article 78

- (1) When the enforcement has already been performed, the debtor may file a request for counter-enforcement in the court, respectively the body that has passed the enforcement title, requesting the creditor to return him/her the property obtained by the enforcement, if the enforcement title has been set aside, reversed, abrogated or rendered invalid with a final decision.
- (2) A request for counter-enforcement may be submitted within one month following the day when the debtor learned of the reason for counter-enforcement, but not later than one year following the day the enforcement was completed.

Procedure upon Request for Counter-Enforcement

Article 79

- (1) The court, respectively the body that has passed the enforcement title, shall deliver the request for counter-enforcement to the creditor and shall ask him/her to state his/her opinion about the request within eight days following the day the request is delivered.
- (2) If the creditor objects the request within that time limit, the court, respectively the body shall pass a decision upon the objection.
- (3) If the creditor does not object, the court, respectively the body, with a decision with which accepts the request shall order the creditor to return to the debtor the property obtained by the enforcement within 15 days.
- (4) The court, respectively the body, shall reach such decision even if the creditor does not state his/her opinion in due time or if declares that s/he does not oppose to the request.
- (5) Regarding the further procedure, the provisions related to the enforcement shall be applied accordingly.

Impossibility for Counter-Enforcement

Article 80

The request for counter-enforcement shall not be accepted, if a return of an object is requested which suffered such factual or legal changes that the return is not possible.

Chapter eleven

POSTPONEMENT AND TERMINATION OF THE ENFORCEMENT

Postponement of the Enforcement

Article 81

- (1) The postponement of the enforcement shall be possible upon a request from the creditor.
- (2) The creditor can request postponement of the enforcement for a determined period of time, not longer than 30 days.
- (3) The creditor can request postponement of the enforcement twice at the most.
- (4) The president of the court, who decides upon the objection for removal of the irregularities during the enforcement determined with Article 77 of this Law, can postpone the enforcement for certain period of time, not more than once, upon a request from one of the parties or participants.
- (5) The president of the court, according to the facts of the case, shall condition the postponement of the enforcement by depositing a guarantee.

Consequences from the Requested Postponement of the Enforcement

Article 82

- (1) At the time for which the enforcement is postponed the creditor shall loose the obtained order for priority of settlement that was obtained at the time of submission of the request for enforcement
- (2) After the expiration of the time for which the enforcement was postponed the creditor shall obtain new order for settlement.

Termination of the Enforcement

Article 83

If the creditor has asked for postponement more than twice, the enforcement agent shall terminate the enforcement.

Part Three
ENFORCEMENT FOR COLLECTION OF A MONETARY CLAIM

Chapter Twelve
ENFORCEMENT AGAINST MOVABLE OBJECTS

Exemption from Enforcement

Article 84

(1) The following shall not be subjects to enforcement:

1. clothes, shoes, underwear and other personal belongings, linen, kitchen utensils, furniture, stove, refrigerator, and other objects with common values that serve for satisfying the basic needs of the household, if they are needed by the debtor and the members of his/her household;

2. three months supply of food and heating materials used by the debtor and the members of his/her household;

3. labor and breed livestock, agricultural equipment and other tools, seeds, food for the livestock, tools, machines and other objects that the debtor - farmer or craftsman needs for maintaining of his/her agricultural work, respectively for performing the craftsmen activity, necessary to achieve minimum income necessary to support him/herself and the members of his/her family.

4. books and other objects which are needed by the debtor who independently and with personal labor, performs a scientific, artistic or other professional activity;

5. cash of the debtor up to the monthly amount, which according to the law is exempt from enforcement;

6. the debtor's decorations, medals, military honor certificates and other decorations or recognitions of honor, a marriage ring, personal letters, manuscripts or other personal documents which belong to the debtor as well as family pictures; and

7. medical aids given to a disabled person or to some other person with physical handicap in accordance with regulations, or which he/she has personally obtained and which are necessary for performing his/her life functions;

(2) The provisions from paragraph (1), item 3 of this Article shall not apply to enforcement for settling monetary claims of banks, based on specific loans for the purpose for development of agricultural, respectively craft activity, provided that this special purpose has been specifically stated in the loan contract.

(3) Mail parcels or postal monetary transfers addressed to the debtor cannot be object of enforcement before they are delivered to the debtor.

(4) It may be provided by law that other movable objects cannot be object of enforcement.

Enforcement Actions

Article 85

The enforcement against movable objects shall be carried out through inventory, evaluation, seizure and sell of the objects and by settling the creditor from the money received with the sale.

1. Inventory, Evaluation and Seizure of Objects

Inventory Notice

Article 86

- (1) An enforcement agent shall, prior to performing an inventory, order the debtor to pay the amount that was determined in the enforcement title, together with interest and expenses.
- (2) The order of paragraph (1) of this Article shall consist of:
 - name/ title of the debtor, residency/ dwelling address or seat and UBRN or tax number;
 - name/ title of the creditor residency/ dwelling address or seat;
 - number of the enforcement title that is enforced and the official body that has issued it;
 - the debt amount as a main debt;
 - additional claims;
 - expenses of the procedure and the enforcement;
 - ban for disposal;
 - time limit of three days for payment of the debt in the enforcement title;
 - place of inventory;
 - manner of undertaking the inventory.
- (3) The order must inform the debtor that if he/she has settled the debt towards the creditor, as stated in the enforcement title, he/she shall be obligated to inform the enforcement agent about it. The order also has to contain a warning for the debtor that if he/she does not act in accordance with the enforcement title, within the time limit determined with the order, there will be inventory, evaluation and seizure of movable objects.
- (4) The creditor shall be informed of the time and the place of the inventory, if he/she requests that.
- (5) Inventory shall be performed regardless of the absence of either the creditor or the debtor.
- (6) The absent party shall be informed that an inventory was performed.

Object of Inventory

Article 87

- (1) Property owned by the debtor, as well as his/her objects that are in possession of the creditor, can be enlisted in the inventory.
- (2) Property owned by the debtor, but in possession of a third person may be inventoried only with consent of that person.
- (3) If the third person does not agree to the inventory, the enforcement agent shall instruct the creditor, to fulfill his/her right in court.

Range of Inventory

Article 88

- (1) As many objects as it is necessary to settle the creditor's claims and enforcement expenses shall be inventoried.
- (2) The objects that do not have any remarks of a right that would prevent the enforcement and objects that could most easily be transferred in money shall be inventoried first, while taking into consideration the statements of present parties and of third persons.

Safe-keeping of the Inventoried Objects

Article 89

- (1) An enforcement agent shall leave the inventoried objects with the debtor for safe-keeping provided that, upon creditor's request, the enforcement agent did not order that the inventoried objects be given to the creditor or to a third person for safe-keeping.
- (2) The creditor shall be responsible for the consequences of destruction or damage of the objects, handed to the creditor or to a third person for safe-keeping, except where the destruction or damage was the result of vis major.
- (3) The inventoried objects left for safe-keeping with the debtor shall be clearly marked to indicate that they have been covered with the inventory.
- (4) Cash money, securities and other valuables shall be deposited by the enforcement agent in the court deposit that shall accept them immediately with minutes.

Ban for Disposing of Inventoried Objects

Article 90

- (1) The debtor shall be forbidden from disposing with the inventoried objects.
- (2) This ban shall be contained in the enforcement order, which includes a warning to the debtor concerning the criminal-legal consequences arising from actions contrary to the ban.

Obtaining of Pledge Right

Article 91

- (1) A creditor shall obtain a pledge right on inventoried objects by performing the inventory.
- (2) If inventory is performed in favor of several creditors, the order of priority of pledges, obtained by inventory or by entering a remark into the minutes of the inventory, shall be determined according to the day of inventory respectively the day when the remark was entered into the inventory minutes.
- (3) When the inventory of the objects is performed simultaneously in favor of several creditors, the order of priority shall be determined according to the day and time when the request for enforcement was received by the enforcement agent.
- (4) If the request for enforcement is sent by registered mail, the day of delivery to the post office shall be considered as the day of receipt by the enforcement agent.

Unsuccessful Attempt for Inventory

Article 92

- (1) If there are no objects to be inventoried for the purpose of enforcement, the enforcement agent shall inform the creditor who did not attend the inventory.
- (2) The enforcement agent on the basis of information that the debtor possesses certain objects that can be objects of enforcement can make repeated inventory

Evaluation

Article 93

- (1) At the same time of the inventory of the objects, they shall also be evaluated.
- (2) The evaluation shall be performed by a licensed auditor, except in a case of previously given consent by the debtor, the assessment to be performed by the enforcement agent who carries out the inventory.

Minutes for Inventory and Evaluation

Article 94

- (1) The enforcement agent shall prepare minutes for the inventory and the evaluation.

- (2) In the minutes, besides other data, the individually inventoried objects and their evaluated value shall be separately specified as well as the statements of parties and participants in the procedure, as well as the statements of third persons as to the existence of rights that would prevent the enforcement.

Remark Instead of Inventory

Article 95

- (1) If after the inventory, the enforcement agent receives a later request for enforcement against the inventoried objects for collection of different claim of the same creditor, or for the collection of a claim from another creditor, there shall be no repeated inventory and evaluation of those objects.
- (2) In the minutes, for the performed inventory it is mandatory to note the data from the enforcement title of the request for enforcement received later.

2. Sale of Objects

Time of Sale

Article 96

- (1) The sale of the inventoried property shall be determined by the enforcement agent. It is mandatory to have period of 15 days between the day of the inventory and the day of the sale.
- (2) If the objects of the sale are perishable objects or if there is existing danger for significant decrease of the price of the inventoried objects the sale can be performed before the expiration of the time limit stated in paragraph (1) of this Article.

Manner of Sale

Article 97

- (1) The sale of the objects shall be performed by oral public auction, or by direct agreement between the buyer from one side and the enforcement agent or other person who performs commission business on the other side.
- (2) The manner in which the objects are sold shall be determined by the enforcement agent, ensuring that the best value in money is received for the objects.
- (3) A sale through a bid auction shall be determined if the objects are of higher value and it is expected to be sold at a price higher than the evaluated value.
- (4) The sale of the objects shall be announced through the public media, 7 days before the public auction takes place.

- (5) The creditor and debtor shall be notified of the place, day and hour of the sale.

Selling Price

Article 98

- (1) Inventoried objects may not be sold for less than their evaluated value at the first auction respectively within the time limit determined by the enforcement agent for a sale by direct agreement.
- (2) If the price obtained at the first auction was less than the evaluated value, the enforcement agent shall order, upon request from a party, new auction on which the objects may be sold for less than the evaluated value, but not lower than one third of that value.
- (3) The provision from paragraph (2) of this Article shall apply accordingly also when the inventoried objects could not be sold by direct agreement at the evaluated value, within the time limit determined by the enforcement agent.
- (4) A party may request a second auction or sell with a direct agreement within 15 days following the day of the first auction, respectively on the day of expiration of the time limit set by the enforcement agent for a sell with a direct agreement.

Termination of Enforcement

Article 99

- (1) The enforcement agent shall terminate the enforcement if neither party submits a request for second auction within the set time limit, respectively neither party submits a request for performing a second sale by direct agreement, or if the objects could not have been sold at the second auction, respectively by direct agreement within the additional time limit set by the enforcement agent.
- (2) If the objects could not be sold at the second auction, the procedure shall continue according to Article 180, paragraph (1) of this Law.

Obligations and Rights of the Buyer

Article 100

- (1) The buyer shall be obligated to deposit the sale price with the enforcement agent and take possession of the objects immediately after the conclusion of the auction respectively the direct agreement.
- (2) The enforcement agent will transfer the objects to the buyer even if he/she did not deposit the price, if the creditor, agrees at his/her own

risk, up to the amount of the obtained price to which the creditor is entitled.

- (3) The buyer shall become owner of the sold objects.
- (4) The buyer shall not be entitled to a guarantee against defects of the movable objects.

3. Settling the Creditor

Single Creditor

Article 101

- (1) If only a single creditor's claim is settled from the selling price, the enforcement agent with a conclusion shall determine that from the amount obtained from the sale of the objects and from the obtained assets a settlement is made in the following order: expenses of the enforcement, expenses specified in the enforcement title, the interest up to the day of conversion of the objects into money, and the main claim.
- (2) The surplus from the selling price which remains after settling the creditor's claims shall be given to the debtor, unless the enforcement agent receives another request for enforcement from another enforcement title against the same debtor.

Several Creditors

Article 102

- (1) If the law does not determine the right of priority in settling certain claims, several creditors shall be settled from the selling price in the order in which they have obtained the pledge right.
- (2) Creditors of the same priority that can not be fully settled from the selling price shall be settled in proportion to the amounts of their claims.
- (3) Expenses of the enforcement, expenses specified in the enforcement title and the interest shall be settled in the same order as the main claim.

Application of Provisions for Enforcement against Real Estate

Article 103

Provisions of this Law on Enforcement against real estate related to the issues of who can not be a buyer stipulated in Article 173 of this Law, the claim that was contested and to the conclusion for settlement stipulated in Articles 187 and 193 of this Law, shall apply accordingly in regard to the enforcement against movable objects for the purpose of settling a monetary claim.

Chapter Thirteen

ENFORCEMENT AGAINST DEBTOR'S MONETARY CLAIM

1. Exemption from Enforcement and Limitation of the Enforcement

Exemption from Enforcement

Article 104

The following shall be exempted from enforcement:

1. allowance for legal life support, compensation for damage that results from health problems, decrease or loss of working capacity, and compensation for damage that result from the loss of life support because of the provider's death;
2. allowance for compensation for bodily injury according to the regulations for disability insurance;
3. allowance for social benefits;
4. allowance for temporary unemployment;
5. child allowance;
6. scholarship, credit or support for pupils and students;
7. allowance for soldiers and cadets of military schools;
8. allowance received by convicts for their work in a penal rehabilitation institution, except for claims for legal life support and claims for compensation of damages that result from the convicts' criminal act;
9. travel expenses and per diems.

Limitation on Enforcement

Article 105

- (1) The enforcement against salary and pension, as well as compensation instead of a salary, for a claim for legal life support, for compensation for damages that result from health problems, decrease or loss of working capacity, and for damage compensation for damages that result from loss of life support because of the provider's death, shall be limited to one half of the salary or pension, for claims on different grounds – up to the amount of one third of the salary or pension.
- (2) The provision pertaining to paragraph (1) of this Article shall also apply upon the allowance of persons from the reserve military and police structure.
- (3) The enforcement against the allowance for disability of military and peacetime military disabled persons, orthopedic supplement and disability supplement, may be performed only to settle claims for legal life support, compensation for damages that result from health problems, decrease or loss of working capacity, and compensation for

damages that result from loss of life support because of the provider's death, up to the amount of one half of that allowance.

- (4) Enforcement against allowance based on agreement to provide life-long support and life-long rent- payment, and allowances for life insurance agreement, may be performed only upon that part which exceeds the amount of the lowest social benefit paid in the territory in which the debtor has his/her residence.

2. Enforcement Actions

Manner and Extent of the Enforcement

Article 106

- (1) Enforcement against a monetary claim shall be carried out by ban and by transfer, unless this Law provides otherwise for specific cases.
- (2) Ban and transfer of the monetary claim shall be carried out in the amount necessary to settle the creditor's claim, except if the claim is indivisible, Article 117 of this Law.
- (3) If several creditors ask for enforcement against the same claim that can be divided, the ban and transfer is carried out in appropriate amounts, separately for the benefit of each creditor.

3. A Ban on a Claim

Action

Article 107

- (1) By an order with which a ban on monetary claim is carried out the debtor's debtor shall be prohibited, from settling the debtor's claim and the debtor shall be prohibited from collecting this claim or to otherwise dispose of it and of the pledge which was given for securing that claim.
- (2) The order from paragraph (1)of this Article shall be delivered to the debtor's debtor and the debtor.
- (3) The ban shall be considered to have been carried out on the day on which the order for the ban was delivered to the debtor's debtor.
- (4) With a ban the creditor acquires the pledge right against the debtor's claim.

A Ban on Claim against Securities

Article 108

- (1) The ban on a claim based on securities which are transferred by endorsement or for which fulfillment that security is otherwise required, shall be performed in such a manner that the enforcement agent shall take the securities from the debtor.

- (2) The legal actions necessary to retain or perform the rights arising from the securities pertaining to paragraph (1) of this Article shall be performed by the enforcement agent on behalf of the debtor.

A Ban on Claim against Monetary Assets of a Natural Person

Article 109

- (1) A ban on claims against monetary assets of a natural person as debtor, in bank or savings house may be realized even without taking from the debtor the document, which is the basis for depositing the monetary assets.
- (2) In the case of paragraph (1), if the creditor fails to provide the necessary information concerning the debtor's monetary assets in the request for enforcement, the enforcement agent shall request this data from the bank or the savings house where those assets are located.
- (3) The bank or the savings house shall be obligated without any delay to provide the requested data to the enforcement agent and must not inform the debtor that such data was requested.
- (4) The enforcement agent shall be obligated to deliver the order not later than 72 hours from the day of receipt of the requested data.
- (5) The ban shall be realized on the day in which the ban order was delivered to the bank or the savings house where the monetary assets are located.
- (6) The enforcement agent shall deliver the order for the ban to the debtor, even after the bank or the savings house where the monetary assets are located informs the enforcement agent that the ban has been realized.

Pledge Right against Interest

Article 110

The pledge right acquired against a claim on which interest is accumulating, shall also apply to the interest maturing after the ban.

Priority order

Article 111

- (1) The priority order of pledges of several creditors shall be determined according to the day and time the request for enforcement is received by the enforcement agent.
- (2) If the request for enforcement is sent by registered mail, the day of delivery to the post office shall be considered as the day of reception by the enforcement agent.
- (3) If the requests for enforcement of several creditors have been received by the enforcement agent on the same day and time, their pledges shall have same priority order.

- (4) In the case from paragraphs (3) of this Article, claims shall be settled proportionally, if full settlement is not possible.

Statement of the Debtor's Debtor

Article 112

- (1) The enforcement agent, within a time limit that he will determine, shall request from the debtor's debtor to give a statement concerning whether and up to what amount s/he recognizes the banned claim and whether s/he agrees to settle it, as well as whether his/her obligation to settle the claim is conditioned by the realization of some other obligation.
- (2) The statement of paragraph (1) shall be delivered to the creditor and debtor within 72 hours after its receipt.

Liability of Debtor's Debtor

Article 113

- (1) The debtor's debtor shall be liable to the creditor for the damage caused to him/her as a result of the debtor's debtor failure to give a statement, or for giving untruthful or incomplete statement.
- (2) The enforcement agent shall warn the debtor's debtor of that liability.

Ban on Claim Secured by Pledge Right Registered in a Public Book

Article 114

- (1) A ban on claim secured by pledge right recorded in a public book where the rights to real estate property are recorded shall be realized by recording the ban into those public books.
- (2) The recording shall be performed on the basis of an order from the enforcement agent to the official body that maintains the public book, with a remark that the ban, on the basis of which the pledge against the claim is acquired, was determined for settling the creditor's claim.
- (3) If there are several creditors, the priority order of their claims shall be determined according to the time of recording the ban.

4. Transfer of a Claim

a) General Provisions

Type of Transfer

Article 115

The banned claim is transferred to the creditor for collection or instead of a payment.

Order for Transfer

Article 116

Upon delivery of the statement of the debtor's debtor to the creditor and the debtor and after the expiration of the time limit determined by the enforcement agent for receiving statement from the debtor's debtor, the enforcement shall continue with the order for transfer of the claim for collection or instead of a payment.

Special Conditions for Transfer of an Indivisible Claim

Article 117

- (1) Claim based on securities which are transferred by endorsement or for whose fulfillment it is necessary to submit the securities or if due to other reasons their division in regard to transfer or realization is not possible, can be transferred only in their full amount.
- (2) If several creditors have submitted request for transfer on different dates, the enforcement agent shall transfer the claim to the creditor who submitted the request first, and if several creditors submitted request on the same date and time, the claim shall be transferred to the creditor whose claim is the largest.

Realization of Transfer

Article 118

- (1) The transfer of claim shall be realized when the order for transfer of the claim is delivered to the debtor's debtor.
- (2) The transfer of claim based on securities that are transferred by endorsement or in cases in which it is necessary to submit the securities for the realization, shall be realized when the enforcement agent attaches a statement of transfer to the securities and delivers such security with the statement to the creditor.

Obligations of Debtor and Creditor

Article 119

- (1) Upon request by the creditor, to whom the claim was transferred, the debtor must within the time limit set by the enforcement agent, give the explanation necessary to the creditor, for the realization of that claim, and to deliver to the creditor the titles regarding the claim.
- (2) Upon debtor's request, the creditor, to whom a part of the claim has been transferred, shall be obligated, within the time limit set by the enforcement agent, to deposit a guarantee that after realization of that claim, shall return the titles regarding the claim.
- (3) The enforcement agent shall carry out enforcement against the debtor for the purpose of delivering the titles, in the event the debtor does not deliver them him/herself.
- (4) The delivery of the titles in possession of a third person can be requested by the creditor with a complaint, if that right is in the possession of the debtor.

- (5) The enforcement agent shall specify in the title delivered to the creditor that a transfer of the claim for which enforcement has been allowed was carried out.

Depositing a Claim with the Court

Article 120

- (1) If parties other than the creditor claim rights to the transferred claim, the debtor's debtor may, in favor of all these persons, deposit with the court the full amount of the claim or just the amount of the claim that has matured.
- (2) The creditor to whom the claim was transferred, of which other persons claim some right, can ask through the enforcement agent to call the debtor's debtor to deposit in the court the amount of the transferred claim.

b) Transfer of Payment

Authorization of a Creditor

Article 121

- (1) By a transfer of a claim for collection, the creditor shall be authorized to request from the debtor's debtor to pay the amount specified in the order for transfer, if that amount has matured, to perform all activities necessary for retaining and realization of the transferred claim and to use the rights related to the pledge which has been given to secure the claim.
- (2) The creditor shall not be authorized, by transferring a claim for collection, to agree on settlement at the expense of the debtor, to pardon the debt of the debtor's debtor nor to otherwise dispose of the transferred claim, or to conclude agreement with the debtor's debtor that a selected court should decide the claim if disputed.
- (3) The debtor's debtor may only raise a petition to the creditor to whom the claim for collection has been transferred, which s/he could raise to the debtor.
- (4) The giving up of the transferred claim, performed by the debtor, after the transfer, shall have no legal effect on the rights that the creditor acquired with the transfer.

A Transfer for Collection of a Claim Recorded in a Public Book

Article 122

Transfer of claim for collection that is recorded in a public book where the real estate rights are recorded shall be recorded upon an order of the enforcement agent.

Conditioning of Debtor's Debtor Obligation by Delivering the Object

Article 123

- (1) If the debtor's debtor obligation to pay the claim is conditioned by debtor's obligation to deliver particular object, which is in possession of the debtor, and such obligation is determined with a final judgment, the enforcement agent, for the purpose of collection, shall ask the debtor to hand that object to the enforcement agent for the purpose of handing it over to the debtor's debtor.
- (2) The enforcement agent shall carry out the enforcement against the debtor who has not handed over the object, within the set time limit, for the purpose of handing it over.

Belated Collection of a Transferred Claim

Article 124

- (1) A creditor that does not take proper care for the collection of a transferred claim shall be held liable for the damage caused with that to another creditor, for whose claim, the debtor's claim was banned, respectively an order was issued for the transfer of the claim or to the debtor.
- (2) In such case, upon an objection from another creditor, the court shall invalidate the decision for transfer of the claim to the negligent creditor, within 72 hours, and thus it shall be considered that the claim was transferred to the creditor that has filed the objection to the court for the invalidation of the order for transfer the claim to the negligent creditor.

Settlement of the Creditor's Claim

Article 125

The creditor, who received the claim for collection, shall be settled to the amount in which s/he collected that claim.

Payment of Amount of the Creditor's Claim and the Payment of the Claim that is Partially Exempt from Enforcement or that is Already Banned in Favor of Other Persons

Article 126

- (1) The creditor who has collected from the transferred claim more than the amount of his/her claim or there was a collection of a claim that is partially exempt from enforcement or that is already banned in favor of

other persons, shall be obligated to deposit this excess amount or the unjustified collection with the enforcement agent.

- (2) The enforcement agent shall distribute this excess amount or the unjustified collection to other pledge creditors and to the debtor, if they are entitled to it.

c) Transfer Instead of Payment

Article 127

- (1) A banned claim shall be passed to the creditor by transfer instead of a payment, up to the transferred amount, with the action of realization of the claim with compensation.
- (2) If the transferred claim is secured with a pledge right recorded in the public book where the real estate rights are recorded, the enforcement agent shall issue an order for transfer of the debtor's rights to the creditor and for erasing the pledge right recorded in favor of the debtor.
- (3) The creditor, to whom the claim has been transferred instead of payment, shall be considered to be settled with that transfer to the amount of that claim.
- (4) The provision from paragraph (3) of this Article shall not pertain to the regulations for debtor liabilities whether or not the transferred claim is valid and collectable.

5. Special Provisions for Enforcement against Salary and Other Financial Allowances

Applications of the Provisions from this Chapter

Article 128

The provisions from this chapter shall apply to the enforcement against salaries, unless otherwise provided by the provisions of this Law.

Enforcement order

Article 129

A ban over a certain amount of the salary shall be determined with an order for enforcement against salary and the employer that pays off the salary to the debtor shall be ordered to pay, and respectively, to be paying the creditor the financial amount which is to be enforced.

Salary Increases

Article 130

The enforcement shall be carried out also against the increases in salary that occur after the delivery of the order for enforcement.

When Several Persons are entitled to Support

Article 131

- (1) If several persons are entitled to legal support or to an annuity for lost support as a result of a death of the provider against the same debtor, and the total amount of their claims exceeds the amount of the salary that can be object of enforcement, the enforcement shall be performed in favor of each of the creditors in proportion to the amount of their claims.
- (2) If after the initiation of the enforcement against salary, or against other continuous financial allowance, the employer receives new order for enforcement of the claims from paragraph (1) of this Article, the employer shall enforce the received orders in proportional manner.

Place of Payment

Article 132

- (1) The claim for which, cash payment is not prescribed, shall be collected by the creditor, or by the enforcement agent on creditor's behalf, directly at the cashier's desk where the debtor's salary is paid to him/her.
- (2) The creditor is entitled to request the withheld amount to be delivered by mail to an address specified by him/her, the mailing expenses shall be subtracted from the amount delivered.

Termination of Employment

Article 133

- (1) When the employment has been terminated for the debtor, the order for enforcement shall also pertain to the other employer that has subsequently employed the debtor, effective on the day on which the order for enforcement was delivered to that employer.
- (2) The employer, where the debtor does not work any more, shall be obligated to deliver the order for enforcement, without delay and by registered mail, to the employer where the debtor has started to work, and to inform the enforcement agent about this.
- (3) The employer, where the debtor does not work any more shall inform the enforcement agent without delay if it is not familiar with the new employer of the debtor.

Liability for Failure to Withhold and Pay the Matured Installments

Article 134

- (1) The employer shall be obligated regularly to carry out the order for enforcement.
- (2) If the employer does not carry out regularly the order for enforcement, the enforcement agent, with an order to the payment operations organization, where the employer has an account, shall order the

employer to pay to the creditor all the installments that it failed to withhold and pay.

- (3) The employer that did not act in accordance with the order for enforcement or failed to act in accordance with the paragraphs (2) and 3 of Article 133 of this Law shall be also held responsible for the damage that the creditor suffered as a consequence of this.

Ban with Debtor's Consent

Article 135

- (1) A ban against the debtor's salary with his/her consent (administrative ban) shall have the legal effect of an order for enforcement against the salary.
- (2) As an exception to the provisions from paragraph (1) of this Article, the administrative ban shall not affect the realization of the enforcement against salary for settling a claim based on legal support, compensation for damaged health or decrease or loss of working capacity, or compensation for damages based on lost support as a result of the death of the provider of the support.

Application of the Provisions from this Section

Article 136

The provisions from this section shall also apply to allowances based on social insurance and other continuous monetary allowances.

6. Enforcement of a Claim on a Bank Account

Article 137

- (1) The enforcement against a monetary claim that, according to a bank account belongs to a natural or legal entity shall be carried out by ordering the bank with an order for enforcement to pay the amount for which enforcement order was issued to the account of the enforcement agent, stipulated in Article 35, paragraph (4) of this Law.
- (2) The order from paragraph (1) of this Article shall have the effect of a ban and transfer for collection.

Chapter Fourteen

ENFORCEMENT AGAINST A CLAIM TO HAND OR DELIVER MOVABLE OBJECTS OR TO HAND REAL ESTATE

1. General Provisions

Manner of Realization of Enforcement

Article 138

The enforcement against the debtor's claim by handing over of a certain movable object or real estate or by delivery of certain amount of movable objects shall be carried out by a ban over that claim, by its transfer to the creditor and by selling the objects.

Effect of the Transfer

Article 139

The transfer of the banned creditor's claim shall have the effect of a transfer of creditor's monetary claim for the purpose of payment.

Not- Matured Claim of the Debtor and a Complaint against the Debtor's Debtor

Article 140

- (1) If the debtor's claim has not matured yet, the enforcement agent shall order that the objects be handed over after the claim has matured.
- (2) Against the debtor's debtor who does not want to hand over the objects, the creditor may request with a complaint the handing over, provided that there is no enforcement title in reference to the obligation for handing over.

Application of Provisions for Enforcement against Monetary Claim

Article 141

Provisions for enforcement against monetary claims shall apply accordingly on enforcement against claims to hand or deliver movable objects, or to hand over real estate, unless otherwise provided with the provisions of this chapter.

2. Movable Property

Handing Movable Objects for Safe - Keeping

Article 142

- (1) With an order for transfer of the debtor's claim, the enforcement agent shall order the debtor's debtor to hand over the claimed movable objects, to the enforcement agent or to another person, for safe - keeping.
- (2) Provisions stipulated in Article 89 of this Law shall apply accordingly to the safe-keeping of objects.

Sale of Objects and Settling the Creditor

Article 143

The sale of movable objects handed over to the enforcement agent or to another person stipulated in Article 142 of this Law, as well as settling of the creditor, shall be carried out in accordance with the provisions of this Law on enforcement against movable objects.

3. Real Estate

Handing over to the Creditor

Article 144

- (1) With an order for transfer of the debtor's claim, the enforcement agent shall order the debtor's debtor to hand over the claimed real estate to the creditor.
- (2) The creditor shall be obligated, on the behalf and for the account of the on debtor, to manage the real estate as a reasonable businessman, respectively good housekeeper, and upon request from the debtor to present him/her a report of this management.

Sale

Article 145

For the purpose of settling his/her claim, the creditor may, within a time limit not longer than 30 days following the day when the real estate was handed over to him, to request from the enforcement agent to sell that real estate.

Application of Provisions for Enforcement against Real Estate

Article 146

Sale of real estate, as well as settling the creditor, shall be carried out in accordance with the provisions of this Law on enforcement against real estate.

Chapter Fifteen

ENFORCEMENT AGAINST SHARES AND PARTS IN A COMPANY

1. Enforcement against Shares

Enforcement Actions

Article 147

The enforcement against parts shall be carried out with a ban on disposal and burdening, their sale and settlement of the creditor.

Ban on Disposal and Burdening of the Shares

Article 148

- (1) The ban on disposal and burdening of the shares shall be carried out by delivering an order for ban for disposal and burdening to the Central Depository for Securities, which keeps the books of shares. By recording the ban the creditor shall acquire a pledge right over the shares.
- (2) The Central Depository for Securities shall be obligated to record the ban on disposal and burdening without any delay, and inform the enforcement agent that the record was performed.
- (3) After delivering the order for ban for disposal and burdening, the Central Depository for Securities must not record anything in the book of shares for the debtor's disposal as regards the shares covered by the ban on disposal and burdening. The Central Depository for Securities shall be obligated, without any delay, to notify the enforcement agent of any change with respect to the shares covered by the ban on disposal and burdening, especially for forced enforcement for collection of another claim or securing such a claim.
- (4) The debtor shall be banned to dispose with the shares covered by the ban on disposal and burdening. The warning about that ban shall be noted in the order for enforcement.

Sale of Shares and Settling the Creditor

Article 149

- (1) The shares covered by the ban on disposal and burdening of shares shall be put for sale on the stock market with a starting price at the level of their face value. The enforcement agent and the person authorised to sell shares shall conclude a sales agreement for the shares on behalf of the debtor.
- (2) The sale of shares as well as the settlement of the creditor shall be carried out by adequate application of the provisions of this Law on enforcement against movable objects.

2. Enforcement against a Part in a Company

Enforcement Actions

Article 150

A part in a company shall be enforced by seizing the part, evaluating it, selling it and settling the creditor.

Seizing a Part

Article 151

- (1) A part shall be seized by submitting an order for seizure of the part to the company that keeps book of parts. With the seizure the creditor shall acquire a pledge right to the part.
- (2) The company from paragraph (1)of this Article is obligated to note in the book of parts that the part has been seized on the same day and time when order for seizure of the parts was submitted to the company. It is obligated to notify the enforcement agent of such registration without any delay.
- (3) After the submission of the order for seizure of the parts, the company from paragraph (1)of this Article must not record anything in the book of parts in terms of debtor disposals as regards the seized part. It shall be obligated, without any delay, to notify the enforcement agent of any change with respect to the seized part, especially of forced enforcement for collecting another claim or securing such a claim. Any disposal with the part contrary to the order for seizure of the parts, counting from the day of receiving the order, shall be considered void.
- (4) The company from paragraph (1) of this Article shall be hold accountable for the damage that the creditor might suffer due to the company's failure to act in accordance with the provisions under paragraphs (2)and (3) of this Article. In particular, the manager of the company, and the managing body of the company, shall be held accountable for the damage. The order for seizure of the parts shall contain a warning about the accountability of the company, the company manager, and the managing body of the company. The creditor can exercise its right to compensation for damages trough a complaint.
- (5) The debtor shall be banned to dispose with the seized part. The warning for that ban shall be entered in the order for seizure of the part.
- (6) The enforcement agent shall be entitled to inspect the book of parts and other acts of the company, necessary for the enforcement.
- (7) The enforcement agent can ask the court to fine the company, the manager of the company and the managing body of the company, which obstruct or disable the enforcement, according to the provisions of this Law for enforcement of an action that can be performed only by the debtor.
- (8) The court shall be obligated to decide upon the request of the enforcement agent within 48 hours, starting from the day of the receipt of the request at the court.

Evaluation and Sale of the Part and Settling the Creditor

Article 152

- (1) The seized part shall be sold on a public sale.

- (2) The seized part can also be sold by direct settlement, if both sides have agreed on that. The enforcement agent shall conclude a sales contract for the part on behalf of the debtor.
- (3) If the part is sold on a public sell or by a direct settlement, it must previously be evaluated. The enforcement agent shall determine the value of the part with an authorized evaluator.
- (4) The evaluation, the establishment of the sales price and the sale of the part, as well as settling the creditor shall be carried out by adequate application of the provisions of this Law.
- (5) The buyer of the part shall acquire the rights and obligations according to the Company Law.
- (6) The members in the company shall be entitled to priority purchase of parts, stipulated in Article 168 of this Law and in proportion with their parts in the company, unless they have agreed otherwise.

Chapter Sixteen

ENFORCEMENT AGAINST OTHER PROPERTY RIGHTS

Manner of Realization of the Enforcement

Article 153

The enforcement against the copyrights and other related rights, the industrial property rights or some similar right of the debtor shall be carried out with a ban for disposal of that right, as well as with the transfer of that right into cash, according to the provisions for sale of movable objects and settlement of the creditors.

Chapter Seventeen

ENFORCEMENT AGAINST REAL ESTATE

1. General Provisions

Enforcement Actions

Article 154

The enforcement against real estate shall be carried out by recording the order of enforcement in the public book, by determining the value of

the real estate, by selling the real estate and by settling creditors from the amount obtained by the sale.

Request by the Debtor that the Enforcement Be Determined with Other Means or Against Other Real Estate

Article 155

- (1) The debtor may request, within three days following the day of receipt of the order for enforcement against real estate, to carry out the enforcement against some other means of enforcement or to carry out the enforcement against another real estate, different than the one determined in the order for enforcement.
- (2) The enforcement agent shall accept the request provided that the debtor can prove that the claim will be settled by other means of enforcement, or by sale of other real estate.
- (3) If some other means of enforcement was accepted, the record for the order for enforcement against the real estate shall remain in force until settling the creditor's claim.

Recording the Enforcement

Article 156

- (1) The order for enforcement against the real estate shall be recorded in the public book.
- (2) With that record the creditor shall obtain a right to settle his/her claim from the real estate (right to settlement) even in a case if a third person later on, obtained an ownership right of the same real estate, or a right to dispose over that real estate.
- (3) A creditor who has requested enforcement prior to obtaining the pledge right, shall by the record of the order for enforcement, obtain a right to settle his/her claim from the real estate before other person who will later on obtain the pledge right over that real estate or right to settle his/her claims.

Starting the Enforcement

Article 157

- (1) After a record has been put on the order for enforcement against real estate, it is not possible for the purpose of settling another claim of the same creditor or of another creditor to carry out enforcement against the same real estate.

- (2) The creditor for whose claim an order for enforcement against the same real estate has been issued later on shall be included in the already initiated enforcement.
- (3) It is possible to join the enforcement before the issuing of the conclusion for sale of the real estate to the buyer.
- (4) The enforcement agent shall notify the creditor, in favor of whom the enforcement procedure was previously recorded in the registry, that another creditor has joined the enforcement.

Settling the Pledge Creditor

Article 158

- (1) The pledge creditor who has not requested enforcement shall also be settled with the enforcement against the real estate.
- (2) The enforcement agent shall pay attention whether there is a pledge right over real estate, which is the object of enforcement in favor of another creditor who has not requested enforcement.
- (3) For the starting with the enforcement (paragraph (1) of this Article) the enforcement agent shall inform the creditor upon whose request the enforcement is carried out.

Termination of the Pledge Right

Article 159

- (1) The pledge right recorded for real estate shall terminate on the day when the conclusion for transfer of the real estate is passed (Article 178), even if the pledge creditors are not fully settled.
- (2) The buyer of the real estate and the pledge creditor may agree that the pledge right remain upon the real estate even after the passing of the conclusion for transfer of the real estate, and the buyer to take over the debt of the debtor towards that creditor in the amount that he/she would be entitled to with the enforcement.
- (3) In such case, the selling price shall be reduced for the amount of the debt that was undertaken.

Easement and Real Burdens

Article 160

- (1) When the real estate is sold the real easements over it shall not terminate.
- (2) When the real estate is sold the personal easements and the real burdens registered in the public book before the rights of the pledge creditors and the rights for settling the claim of the creditor upon whose request the enforcement was determined, shall not be terminated.
- (3) Other personal easements and real burdens shall terminate when the real estate is sold, if not otherwise agreed between the holder of these rights and the buyer.

Lease of an Apartment Building, Apartment and Business Building, and Premises

Article 161

- (1) When an apartment building or an apartment, a business building or business premises is sold, the lease for that apartment house, apartment or business premises shall not terminate.
- (2) The buyer shall obtain the rights and obligations of a leaser.
- (3) The lease agreements concluded after the submission of the request for enforcement by the sell of the real estate shall have no legal effect. In this case the lessee shall be obligated to evict immediately the apartment building or the apartment, the business building or the business premises.
- (4) If the lessee does not act according to paragraph (3) of this Article and does not evict the apartment building or the apartment, the business building or the business premises, the enforcement agent, upon a request of the buyer, shall evict the premises, according to the provisions for eviction of premises and transfer of real estate (Articles 218-220).

Inspection of the Real Estate

Article 162

Upon a request from the person interested in buying the real estate the enforcement agent shall give him/her a permission to inspect the real estate.

2. Exemption from Enforcement

Article 163

- (1) An object of enforcement cannot be agricultural land and business buildings of a farmer, to an extent that is essentially necessary to support himself/herself and the members of his/her immediate family and other individuals who, by law, have to be supported by the farmer.
- (2) The provision from paragraph (1) of this Article shall not apply for enforcement for realization of monetary claims secured by contractual pledge right over the real estate (mortgage).

3. Determining the Value of the Real Estate

Manner of Determining the Value

Article 164

- (1) The enforcement agent, with a conclusion shall appoint an expert who shall, within 15 days from the reception of the conclusion, perform and

submit to the enforcement agent an evaluation of the value of the real estate based on its market value on the day of the evaluation and based on other factors that influence its value. Upon request by the expert, provided there are justified reasons, the enforcement agent may extend this time limit, but not to exceed 30 days.

- (2) When determining the value of the real estate the devaluation of the property due to certain rights remaining over the real estate after the sale, shall also be taken into consideration.

Conclusion for Determining the Value

Article 165

After the receipt of the expert evaluation, the enforcement agent with a conclusion shall determine the value of the real estate.

Termination of the Enforcement upon Request

Article 166

- (1) The creditor who has the right to be settled from the selling price of the real estate, and has priority over the creditor who requested the enforcement, may propose that the enforcement be terminated if the determined value of the real estate does not cover, even to some extent, the amount of that creditor's claims.
- (2) Depending on the circumstances of the case, the enforcement agent shall assess whether the sale is purposeful, taking into consideration the amount needed for partial settlement of the creditor who requested the enforcement.

4. Sale of Real Estate

Conclusion for Sale

Article 167

- (1) The enforcement agent shall pass a conclusion for the sale of the real estate determining the manner and conditions of the sale, as well as the time and the place of the sale, if the sale is performed by an auction.
- (2) The conclusion for the sale shall be announced in the media.
- (3) The period between the day of the announcement of the conclusion for sale in the media and the day of the sale has to be at least 15 days but not more than 30 days.
- (4) The conclusion for the sale shall be delivered to the parties, to the pledge creditors, to the participants in the procedure, to the persons that have recorded or legal right of priority in purchasing, and to the responsible body at the agency.

Priority for Purchasing

Article 168

- (1) The person who has legal right of priority for purchasing the real estate, subject to enforcement by sale, shall have priority over the most favorable bidder, provided that immediately after the auction closes states that s/he is purchasing the real estate under the same conditions.
- (2) If the real estate is sold by direct agreement, the enforcement agent shall summon the person who has legal purchase priority right to state in the minutes whether or not s/he wants to exercise that right.

Manner of Sale

Article 169

- (1) The sale of a real estate shall be conducted by oral public bidding.
- (2) The oral public bidding for the sale of the real estate shall be performed in the presence of the enforcement agent in the premises, which he/she will determine.
- (3) The parties and the pledge creditors may, at any time, agree that the sale of the real estate be performed within a specific time limit by direct agreement, through a legal entity or natural person authorized for trading with real estate, as provided with the law.
- (4) The contract for sale by direct agreement shall be concluded in writing.
- (5) The contract shall have legal effect from the day when the conclusion for transfer the real estate is passed (Article 178).

Conditions of the Sales

Article 170

- (1) The sale conditions, besides other data, shall contain the following:
 - 1) detailed description of the real estate with the objects that come with it;
 - 2) specification of the easement and of the real burdens which shall be taken over by the buyer;
 - 3) value of the real estate, determined with the conclusion of enforcement agent;
 - 4) price for which the real estate may be sold;
 - 5) time limit within which the buyer is obligated to deposit the price;
 - 6) manner of sale; and
 - 7) amount of the guarantee.
- (2) The time limit within which the buyer is obligated to deposit the price may not be longer than 15 days following the day of the sale.
- (3) As an exception and only with a prior consent from the creditor, the time limit from paragraph (2) of this Article may be extended up to three months.

Depositing Guarantee

Article 171

- (1) Only persons who have previously deposited guarantee may participate at the public auction.
- (2) For the sale with direct agreement, the buyer shall deposit guarantee with the person with whom s/he concluded a contract, before the contract is concluded.
- (3) Exempt from depositing a guarantee shall be the creditor upon whose request the enforcement was carried out and the pledge creditor, if their claims reach the amount of the guarantee, and if taking into consideration the priority of each of them has and the determined value of the real estate, this amount could be settled from the price.
- (4) The guarantee shall be one tenth of the determined value of the real estate.
- (5) The guarantee shall be returned to the bidders whose offer was not accepted, immediately after the public auction is concluded.

Presence of One Bidder at the Sale

Article 172

- (1) The public bidding of the real estate shall be held even if only one bidder is present.
- (2) Upon request by the party or the pledge creditor, the enforcement agent may determine, depending on the circumstances of the case, that the public bidding be postponed if only one bidder is present.

Who Cannot Be a Buyer

Article 173

The debtor, the enforcement agent or some other person that officially participates in the sales procedure, cannot be a buyer, neither in an auction nor in a direct agreement.

Selling Price

Article 174

- (1) At the first public bidding the real estate cannot be sold for a price lower than the determined value.
- (2) If the real estate could not have been sold at the first public bidding, the enforcement agent shall schedule a second public bidding, during

which the real estate may be sold for a price lower than the determined value, but not lower than two thirds of that value.

- (3) At least 15 days, but not more than 30 days, must pass between the first and the second public bidding.
- (4) The pledge creditors and the other creditors may request, in a statement given before the enforcement agent, responsible for the enforcement, the real estate to be sold by auction for a price lower than the determined value, or lower than two thirds of that value.
- (5) The provisions pertaining to paragraphs (2) and (4) of this Article shall apply accordingly in case the real estate could not have been sold by direct agreement for the determined value.

Sale of the Real Estate

Article 175

- (1) After determining that the requirements for holding the public bidding have been satisfied, the enforcement agent shall announce the start of the bidding.
- (2) The bidding is concluded three minutes after the last most favorable offer was placed.
- (3) After the conclusion of the auction, the enforcement agent shall determine who of the bidders offered the highest price and shall announce that the real estate is sold to that bidder.
- (4) The enforcement agent shall prepare minutes for the sale of the real estate and shall pass a conclusion for the sale, which he/she shall deliver to all the participants at the auction.
- (5) Against the conclusion from paragraph (4) a complaint shall be allowed within 15 days after the conclusion is received.
- (6) The filed complaint shall not withhold the implementation of the conclusion for the sale.
- (7) After the price of the real estate is paid, within 3 days, the enforcement agent shall pass a conclusion for the end of the sale, which presents a legal basis for obtaining the ownership right.

Sale by Direct Agreement

Article 176

- (1) The enforcement agent shall pass a conclusion for real estate sold by direct agreement, after determining that the conditions for validity of the sale have been satisfied.
- (2) The conclusion for the sold real estate shall be delivered to all persons, to whom the conclusion for sale was delivered, including the buyer and

all the participants at the bidding, within 8 days from the day the conclusion was passed.

Depositing the Price

Article 177

- (1) The buyer shall be obligated to deposit the price within the time limit determined in the Article 170 paragraph (2) of this Law.
- (2) If the buyer does not deposit the price within the determined time limit, the enforcement agent shall declare the sale void with a conclusion and shall determine a new sale.
- (3) The deposited guarantee shall be used to cover the expenses of the new sale and to compensate for the difference between the price obtained at the previous and at the new sale.

Transfer of the Real Estate to the Buyer

Article 178

- (1) Once the price is deposited, within 8 days, the enforcement agent shall pass a conclusion for transfer of the real estate to the possession of the buyer.
- (2) The conclusion from paragraph (1) shall be delivered to all the persons to whom the conclusion for sold real estate was delivered.

Protection of the Buyer's Rights

Article 179

Once the conclusion for transferring the real estate to the buyer is passed, the abrogation of the conclusion for sold real estate to the buyer shall have no effect over his/her rights acquired in accordance with Article 178 of this Law.

Termination of the Enforcement

Article 180

- (1) If the real estate could not be sold at the second bidding, upon the creditor's request, the real estate will be sold to him/her for the sale price determined for the second public bidding, but the creditor is liable to deposit with the enforcement agent the positive difference in the price within a time limit determined by the enforcement agent.
- (2) If the creditor does not request the real estate to be sold to him/her, the enforcement agent shall order another auction only upon the creditor's request.
- (3) The creditor can not submit a request for a new sale unless 3 months have passed from the day of the second public bidding and also if one year has passed from that day.

- (4) If the creditor did not submit a request within the time limit stated in paragraph (3) of this Article, or if the real estate could not be sold at the first public bidding in the extended procedure, Article 174, paragraph (2) of this Law, neither for two thirds of the determined value, the enforcement agent shall terminate the enforcement.
- (5) The enforcement carried out by direct sale shall be terminated if the real estate could not be sold within the time limit determined in the agreement between the parties and the pledge creditors stipulated in Article 169 paragraph (4) of this Law.

5. Settling the Creditors

Starting the Settlement

Article 181

The enforcement agent shall start the settlement once the conclusion for transferring the real estate to the buyer is passed.

Persons who are settled

Article 182

The sale price shall be used to settle the creditors upon whose request the enforcement was carried out, pledge creditors although have not reported their claims, persons with a right to compensation for personal easements and real burdens, authorized bodies for claims regarding taxes, and the persons with claims listed in Article 183 paragraph (1) items 1 and 2 of this Law.

Priority for Settlement

Article 183

- (1) Primarily, and in this order, the following shall be settled from the amount of the sale:
 - 1) expenses of the enforcement; and
 - 2) debts that matured in the course of the last year that burden the sold real estate.
- (2) The claims pertaining to paragraph (1) item 2 of this Article shall be settled if they are registered within the time for settling the creditor and if they are proved by an enforcement title.
- (3) The time limit determined in paragraph (1) item 2 of this Article shall be considered up to the day on which the conclusion for transferring the real estate to the buyer is passed.

Order of Settlement of Other Claims

Article 184

- (1) Once the claims stipulated in Article 183 of this Law have been settled, follows the settlement of the claims secured by a pledge right, claims of

creditors upon whose request the enforcement was carried out, and compensation for personal easements and real burdens, which cease with the sale.

- (2) The creditors from paragraph (1) of this Article shall be settled according to the order of acquiring the pledge right and the right to settlement of the creditors that required the enforcement, or according to the order of recording the personal easement and the real burdens in the public book.
- (3) Expenses and interests for the last three years prior to passing of the conclusion for transferring the real estate to the buyer, specified in the enforcement title, shall be settled according to the same order as the main claim.
- (4) After settling the claims pertaining to paragraph (1) of this Article, the claims listed in Article 183 paragraph (1) item 2 of this Law shall be settled, for the period during which they are not settled according to those provisions.

The Amount of Compensation for Personal Easements and Real Burdens

Article 185

- (1) The amount of compensation for personal easements or real burdens that cease with the sale shall be determined by the enforcement agent with a conclusion, taking in consideration especially the time for which the easement, respectively the burden, would still be lasting, their value and the age of the holders of such rights.
- (2) If about the amount of compensation for personal easements or real burdens that cease with the sale, there is no consent between the holders of such rights and the creditors that follow them in the order of settlement, for the difference of the determined and requested amount of the compensation, the enforcement agent shall refer the holders of the rights to file a dispute within 30 days.
- (3) The buyer and the holder of the right of personal easement or real burden may agree that the easement respectively the real burden be taken over by the buyer and that the amount of the compensation, determined according to paragraph (1) of this Article, to be subtracted from the purchase price.

Proportional Settlement

Article 186

Several claims having the same order of settlement shall be settled in proportion to the amounts, if the amount from sale is not sufficient to achieve full settlement.

Disputing a Claim

Article 187

- (1) The creditor or other persons that are to be settled from the sale price may, if this influences his/her settlement, dispute another person's claim, its amount and the order in which s/he has the right to settle the claim within the time of the settlement of the claim.
- (2) If the creditor or another person objects the order of the settlement, the enforcement agent shall not stop the settlement, and shall refer the person that has filed the objection on the order of settlement to file a dispute within 30 days.

5. Special Provisions for the Manner of Settlement of Some Claims

Not- Matured Claim

Article 188

- (1) A pledge creditor's claim, which has not matured until the day on which the conclusion for settlement was passed, and for which no agreement regarding interest has been reached, shall be paid after reduction of the amount that corresponds to the legal penalty interest, beginning from the day the conclusion for settlement was passed until the day on which the claim matured.
- (2) A non-matured claim, for which an agreement regarding interest has been reached, shall be paid together with the amount of the agreed interest, calculated until the day the conclusion for settlement has been passed.

Non-matured Claim for Periodical Allowances

Article 189

- (1) Claims for periodical allowances based on legal support, compensation for damage that result from health problems, decrease or loss of working capacity, or on compensation for loss of support because of the death of the provider of that support, which are secured with a pledge and which mature after the day on which the conclusion for settlement has been passed, shall be settled upon the creditor's explicit request.
- (2) These claims shall be calculated in the same manner in which the compensation for personal easement or real burden is calculated.

Claim Subject to a Condition

Article 190

- (1) The amount of a claim, secured with a pledge right and is subject to a particular condition, shall be separated and deposited in the court and shall be paid upon the occurrence of condition subsequent, or when it becomes apparent that the rescinding condition will not occur.
- (2) If the condition subsequent does not occur, or if the rescinding condition occurs, the amount that has been separated shall be used to satisfy the creditors, whose claims are not fully settled or have not been settled at all, and if there are no such creditors or the whole amount has not been used up for their settlement, this amount, or the reminder of it, shall be handed over to the debtor.

Record of a Pledge Right and Record of a Dispute

Article 191

- (1) If in the public book there is a record of a pledge right, and the person for whose benefit this recording has been made proves that a procedure is in progress for its justification, respectively, that the time limit for initiating such a procedure has not yet expired, the claim recorded in the book shall be settled in a manner in which a claim subject to a condition subsequent is settled.
- (2) A claim for which a record of an initiated dispute for erasing the pledge right or another initiated dispute has been entered in the public book, shall be settled in a manner in which a claim subject to a rescinding condition is settled.

7. Division, Settlement and Erasing the Right and Burden

Division

Article 192

- (1) The enforcement agent shall determine the time for division of the amounts from the sale within 8 days after passing of the conclusion for the transfers of the real estate to the buyer.
- (2) In addition to the parties, persons that according to relevant documents and the data from the public book are entitled to settlement from the amount received by the sale shall also be informed of the scheduled division.
- (3) The invitation shall include a warning to these persons that the claims of the creditors who fail to attend the division shall be taken into consideration in accordance with the information contained in the public book and documents, and that the existence of another person's claim, the amount of such claim and the order in which settlement is made can be objected latest during the time of the division.

- (4) The requests for settlement of the creditors and of other persons who have submitted a request for a settlement shall be discussed at the division.

Settlement

Article 193

For the settlement of the creditors and other persons who have the right to settlement, the enforcement agent shall decide with a conclusion after the division, and within eight days shall submit it to the creditors and other persons that have the right to settlement, taking into consideration the condition shown in the documents and the public book, as well as the condition established at the division.

Erasing Rights and Burdens

Article 194

The enforcement agent shall order, in the conclusion for settlement, that the rights and burdens recorded in the public book be erased, except those that remain over the real estate even after the real estate is transferred to the buyer, and those which the buyer agreed to take over.

8. Termination of the Debtor's Right Over a Sold Apartment

Article 195

- (1) Debtor, who as an owner resides in a sold family apartment building or apartment, shall not retain the right to reside there further on and is obligated to evict the apartment building or apartment within 60 days, calculating from the day of passing of the conclusion of the sale from Article 175, paragraph (4) of this law. .
- (2) If the debtor, within the time limit from paragraph (1) of this Article, does not evict the apartment building or the apartment, the enforcement agent, upon the buyer's request, shall carry out the eviction in accordance with the provisions for eviction and transfer of the real estate stipulated in the Articles 218, paragraphs (1) and (2), Article 219 and 220 of this Law.

9. Application of the Provisions of this Chapter to a Territory Where the New Cadastre is not established

Article 196

- (1) For the territory for which a cadastre has not been established according to the Law on Land Survey, Cadastre and Registration of Real Estate Rights, the legal regulations for deeds and intabulation that are valid for that territory shall apply accordingly.

- (2) If the enforcement agent cannot provide a proof of ownership, due to any reason, in accordance with the legal regulations that are valid for that territory, instead of a proof for ownership, the enforcement agent shall perform an inventory of the real estate against which enforcement was determined, and shall summon at the inventory the creditor, the debtor, his/her spouse and the persons whose property borders with that real estate.
- (3) The minutes of the inventory shall be considered to be a record of the enforcement.
- (4) The provisions of this Article shall apply also if the real estate has not been recorded in the public book.
- (5) The provisions of this Article shall also apply when the real estate was recorded under the debtor's name in a cadastre that has not been established according to the Law on Land Survey, Cadastre and Registration of Real Estate Rights, provided the holder of the deed, or his/her heirs confirm, with a statement verified by the authorized body, that the debtor is the owner of the real estate which is subject to the enforcement.

Chapter Eighteen

ENFORCEMENT OF COURT PENALTIES

Article 197

- (1) Payment of court penalties may be requested until the submitting of the request for enforcement of the enforcement title.
- (2) The creditor is not entitled to the right to court penalties from the day of submitting the request for enforcement.

Chapter Nineteen

SPECIAL PROVISIONS FOR ENFORCEMENT AGAINST PROPERTY OF LEGAL ENTITIES TO COLLECT MONETARY CLAIMS

1. Exemption and Limitation

Objects not in the Circulation of Goods and Services and Natural Resources

Article 198

Objects that are not in the circulation of goods and services, as well as mineral resources and other natural resources cannot be the subject of enforcement.

Means Necessary for National Defense, State and Public Security and for Enforcement of Sanctions

Article 199

Buildings, armament and equipment for national defense, state and public security and for enforcement of sanctions cannot be the subject of enforcement.

2. Enforcement against Money on Debtor's Account

Range of Enforcement against Legal Entity

Article 200

The enforcement for the realization of a monetary claim against a legal entity may be carried out against all the assets in his/her accounts at the payment operations organizations where the debtor has accounts.

Order of Collection

Article 201

- (1) The payment operations organization shall carry out the collection, according to the time of reception of the enforcement orders, unless otherwise provided by law.
- (2) The payment operations organization shall maintains records of the sequence order in which the enforcement orders are received, according to the day and hour of reception, and upon a creditor's request, shall issue a confirmation of the order in which his/her claim was received.
- (3) The payment operations organization cannot enforce a payment order, requested from the debtor, prior to the collection of the claim specified in the enforcement order, unless otherwise provided by Law.

Enforcement order

Article 202

- (1) The enforcement agent shall state in the enforcement order one of the payment operations organizations where the creditor's and the debtor's monetary assets are maintained, the number of the creditor's and

debtor's account and their sub-accounts, if any, the creditor's and the debtor's tax number or the UBRN and the debt amount.

- (2) The enforcement order against money maintained on the debtor's account at the payment operations organization, shall order the organization that carries out the payment operations to transfer the amount of money for which the enforcement was ordered from the debtor's account to the account of the enforcement agent, stipulated in Article 35, paragraph (4) of this Law.
- (3) The enforcement orders that order the treasury account, respectively the debtor's account that is maintained within the framework of the treasury account, shall be enforced by the payment operations organization by preparing orders on the basis of the enforcement orders, and delivering them to the Treasury within the Ministry of Finance, where the account of the debtor is maintained.
- (4) The Treasury within the Ministry of Finance shall enforce the orders from paragraph (3) of this Article in accordance with this Law and in accordance with the regulations for payment operations.
- (5) The form, content and application of the enforcement order shall be prescribed by the Minister of Justice.
- (6) The orders that are not in accordance with the prescribed form shall be considered void.

Correction of Incorrect Orders

Article 203

- (1) The received enforcement orders, in which the payment operations organization found out incorrect data, that make it impossible to identify the debtor or the creditor, shall be returned by the payment operations organization to the enforcement agent within two working days.
- (2) The enforcement agent shall be obligated to correct the incorrect data from paragraph (1) of this Article within 3 days and to return the order for enforcement with the correct data.

Periodical Payments

Article 204

- (1) If the enforcement order requires from the debtor to pay periodical payments which mature in certain time intervals (monetary support for loss or reduction of living and working capacity, or for death of a support provider, etc.), payment operations organization, without any renewed request, shall pay the periodical payments once they have matured.
- (2) In the case from paragraph (1) of this Article, the sequence order for collection of all future installments shall be calculated according to the time of receipt of the enforcement order.

- (3) The payment operations organization shall maintain special records on the enforcement orders for collection of future periodical payments.

Stopping the Enforcement

Article 205

- (1) The payment operations organization to which an enforcement order against the debtor's account was delivered shall stop the enforcement upon a request from the enforcement agent, if the creditor has previously declared before the enforcement agent that he/she will abandon the further enforcement.
- (2) In case of a paragraph (1) of this Article, no money shall be allocated.

Case when there are no Funds at the Account

Article 206

If at the time when the payment operations organization has received the enforcement order the debtor's account contains no funds, the enforcement agent shall not stop the enforcement, and the payment operations organization shall maintain the order in its records, in order to perform the transfer when the funds arrive at the account.

Enforcement against a Joint Debtor

Article 207

- (1) The enforcement agent shall issue a single enforcement order against two or several debtors that are jointly liable according to the enforcement title.
- (2) The creditor may specify the sequence order of the debtors in the request for enforcement against whom the collection will be performed, but if he/she did not do that the collection will follow the sequence order in which the debtors are listed in the request for the enforcement.
- (3) If the accounts of joint debtors are maintained with different payment operations organizations, the enforcement agent shall deliver the enforcement order to that payment operations organization where the debtor, who was designated by the creditor as a first joint debtor and who is otherwise listed first in the request for enforcement, maintains his/her account.
- (4) If in the case from paragraph (3) of this Article, there is no money at the debtor's accounts in all the payment operations organizations, the payment operations organization that has received the enforcement order shall carry out the order from the accounts of the other joint debtors, according to the sequence order determined in the order.

3. Enforcement against a Monetary Claim by the Debtor

Manner of Enforcement

Article 208

- (1) The provisions of this Law regarding the enforcement against a monetary claim shall apply accordingly for the enforcement of a monetary claim of the debtor in reference to his/her debtor against funds on the account of his/her debtor at the payment operations organization.
- (2) In that case, if the debtor's debtor wants to fulfill his/her obligation, s/he settles it by ordering the payment operations organization to transfer the amount for which enforcement was ordered, to a special account owned by the enforcement agent, according to Article 35, paragraph (4) of this Law.

Enforcement against a Claim on a Foreign Currency Account for the Collection of a Claim in Foreign Currency

Article 209

If the obligation in the enforcement title is denominated in foreign currency, the enforcement shall also be carried out over a claim in the same foreign currency that the debtor has against the bank, in a foreign currency account.

Payments Exempt from Enforcement

Article 210

Claims of the Republic of Macedonia and of the units of local self-government, and the funds based on benefits, taxes and other payments cannot be the subject of enforcement.

4. Enforcement Against Movable Objects and Rights of the Republic of Macedonia and its Bodies, Units of Local Self -Government and Public Enterprises

Article 211

- (1) Enforcement for collection of monetary claims against objects and rights of the Republic of Macedonia and its bodies, units of local government and public enterprises can not be permitted if they are necessary for the performance of their respective activities or tasks.
- (2) The president of the court on the territory of which the enforcement action is carried out shall determine which objects and rights are necessary for performing the activities and the tasks of the debtor if in the course of the enforcement the parties cannot agree on this, or if appears to be necessary.

Section Four

ENFORCEMENT FOR COLLECTION OF A NON-MONETARY CLAIM

Chapter Twenty HANDING OVER AND DELIVERY OF MOVABLE OBJECTS

1. Handing Over Specific Movable Objects

When the Objects are in Possession of the Debtor or a Third Person

Article 212

- (1) Enforcement for handing over one or more specific objects that are in possession of the debtor shall be carried out in the manner that the enforcement agent takes away those objects from the debtor and hands them over, with a document of confirmation, to the creditor.
- (2) According to the provision of paragraph (1) of this Article, enforcement shall also be carried out when the objects are in possession of a third person that wants to hand them over to the enforcement agent.
- (3) If the third person does not want to hand over the objects, the creditor may request from the enforcement agent to transfer to him/her the debtor's claim towards a third person for handing over objects.
- (4) Provisions related to enforcement against a claim to hand over or deliver movable objects shall also apply to the procedure based on a request from paragraph (3) of this Article.

When the Objects are not in Possession of the Debtor nor a Third Person

Article 213

- (1) When the objects are not found neither with the debtor nor with a third person, upon request from the creditor, the enforcement agent, according to Article 93 paragraph (2) of this Law shall evaluate the value of the objects and determine with a conclusion the time limit in which the debtor has to pay the creditor the designated amount.
- (2) The creditor may submit a request stipulated in paragraph (1) of this Article within eight days from the day of receiving notification that the objects have not been found.
- (3) Based on that conclusion the creditor may request enforcement against the debtor.
- (4) If the creditor fails to present a request that the debtor pay the value of the objects, within the specified time limit, the enforcement agent shall stop the enforcement.

2. Delivery of Fungible Objects When the Objects are in Possession of the Debtor or a Third Person

Article 214

When the enforcement title orders delivery of a specific quantity of fungible objects that are in possession of the debtor or a third person, the enforcement shall be carried out in the manner prescribed for handling specific objects.

When the Objects are Not in Possession of the Debtor nor a Third Person

Article 215

- (1) When the objects are not found neither with the debtor nor with a third person, the enforcement shall be carried out so that the creditor shall authorize the enforcement agent, within a specified time limit, to procure the objects from other place and in other manner, at the expense of the debtor.
- (2) The enforcement agent shall, order the debtor with a conclusion that the debtor deposits with the enforcement agent in advance the amount necessary to procure the objects.
- (3) A request to procure the objects may be presented by the creditor within eight days from the day when the enforcement agent notified him/her that the enforcement could not be carried out.
- (4) If, within that time limit the creditor did not submit a request for procurement of the objects from other place and in other manner, the enforcement agent shall stop the enforcement, except if the creditor files a request in due time that the debtor pay the value of the property that s/he was obligated to deliver.

When the Objects cannot be procured from other place or in other manner

Article 216

- (1) If the creditor could not procure the objects neither from other place nor in other manner, within the time limit specified by the enforcement agent, or if the creditor proved that the objects cannot be procured neither from other place nor in other manner, upon the creditor's request, the enforcement agent, according to Article 93 paragraph (2) of this Law, shall evaluate the value of the objects and order the debtor, with a conclusion, to pay the creditor the amount of that value within a determined period of time.
- (2) A request that the debtor pay to the creditor the value of the objects may be filed by the creditor within eight days from the day of the expiration of the time limit for procurement of the objects elsewhere, respectively, within the time limit ordered by the enforcement agent if the creditor has proven that the objects cannot be procured elsewhere.
- (3) If the creditor does not submit a request within that time limit, the enforcement agent shall stop the enforcement.

3. Right to Damage Compensation

Article 217

The provisions from this Law pertaining to procurement of fungible objects of property from other place and in other manner and payment of the value of specific or fungible objects shall not infringe upon the right of the creditor to seek compensatory damages in litigation for the debtor's failure to transfer or deliver the objects.

Chapter Twenty-One EVICTING AND HANDING OVER THE REAL ESTATE

Manner of Carrying Out the Enforcement

Article 218

- (1) Enforcement for evicting and transfer of real estate shall be carried out in the manner that the enforcement agent after removing the persons and object from that real estate shall hand over the real estate in possession of the creditor.
- (2) The enforcement stipulated in paragraph (1) of this Article shall be carried out towards all persons and objects present at the real estate at the moment the enforcement is carried out.
- (3) Evicting and giving in possession the real estate may commence upon the expiration of the time limit of eight days following the day on which the enforcement order was delivered to the debtor.

Removing the Movable Objects

Article 219

- (1) Movable objects which are subject of removal shall be handed over to the debtor, if however, the debtor is not present, to an adult member of his/her household or to his/her authorized representative.
- (2) If none of the persons to whom the movable objects can be handed over are present at the time the enforcement actions are carried out or if these persons refuse to take the objects, the objects shall be delivered to another person for safe-keeping at the expense of the debtor.
- (3) The enforcement agent shall notify the debtor of such delivery and of the expenses for safe-keeping, allowing the debtor a time limit of 8 days in which he/she can request that the objects are delivered to him/her after he/she compensates the costs for safe-keeping.
- (4) In addition to such notification, the enforcement agent shall warn the debtor that after the expiration of the time limit the objects shall be sold and the expenses for safe-keeping and for selling the objects shall be covered from the sale price.

Sale of Movable Objects

Article 220

- (1) The enforcement agent shall determine with a conclusion the sale of the objects at the debtor's expense, if the debtor does not request handing over of the objects within the permitted time limit and does not cover the expenses for safe-keeping.
- (2) The part of the price obtained by sale that remains after the expenses for safe-keeping and the sale of the objects have been paid shall be deposited with a court in favor of the debtor.
- (3) The sale of the objects shall be carried out according to the provisions of this Law pertaining to enforcement against movable objects.

Chapter Twenty-Two

OBLIGATION FOR ACTION, ENDURING AND NON-ACTING

Action that can also be Carried Out by Another Person

Article 221

- (1) In accordance with the enforcement title that obligates the debtor to undertake an action that may also be performed by another person, the enforcement shall be carried out when the enforcement agent authorizes the creditor to entrust the performance of that action to another person, or to perform the action by him/herself, at the expense of the debtor.
- (2) A creditor may propose to the enforcement agent in the request for enforcement to direct the debtor with an order to deposit in advance the amount necessary to cover the expenses for the enforcement of the action carried out by another person, or by the creditor.
- (3) The enforcement agent shall issue a conclusion on the amount of the expenses pertaining to paragraph (2) of this Article, upon request of the creditor respectively the debtor. On the basis of the conclusion, the enforcement agent shall prepare a payment order or order to pay back the expenses.

Action that can be carried out only by the Debtor

Article 222

- (1) If upon the enforcement title the debtor is obligated to perform a particular action that no other person can perform on his/her behalf, in the order for enforcement, the enforcement agent shall allow the debtor a time limit necessary for fulfillment of the obligation.
- (2) With the order for enforcement, the enforcement agent shall inform the debtor that if the debtor does not carry out the obligation within the determined time limit, within 48 hours the court, with a decision, shall

pronounce a fine as follows, for a natural person, from 20.000.00 to 80.000.00 denars, for a legal entity from 100.000.00 to 30.000.000.00 denars, and for the authorized person of the legal entity from 20.000.00 to 80.000.00 denars.

- (3) If the debtor does not fulfill the obligation within that time limit, the enforcement agent shall carry out the decision for the pronounced fine.
- (4) In that case, the enforcement agent shall simultaneously issue a new order where he/she shall give new time limit to the debtor for fulfillment of the obligation and shall inform the debtor that if he/she does fulfill the obligation in the determined time limit, within 48 hours the court, with a decision, shall pronounce a new fine, of a higher amount than the one in the previous decision.
- (5) Against the debtor who, besides that fine still does not fulfill his/her obligations, the court shall continue to act in the manner provided in paragraphs (2), (3) and (4) of this Article, until the sum of fines per individual court decision reaches ten times the amount of the first pronounced fine.
- (6) If the enforcement agent cannot enforce the fine, the court, upon the notification by the enforcement agent, shall substitute it with a prison term, according to the provisions from the penalty law.
- (7) The court shall take into consideration the significance of the action that the debtor was obligated to perform, as well as the other circumstances of the case in determining the amount of the fine within the prescribed limits.
- (8) The appeal on the decisions for the pronounced fine shall not retain the implementation of the decisions.

Enduring and Non-Acting

Article 223

- (1) As provided for in Article 222, paragraphs (1) through (4) and paragraph (6) of this Law, enforcement shall also be carried out if the debtor acts contrary to the obligation to endure the undertaking of a particular action or does not perform a particular action.
- (2) The enforcement agent, upon creditor's request, shall direct the debtor with an order to deposit a guaranty for the damage, if the creditor can prove that s/he would suffer damages in the event the debtor continues to act contrary to his/her obligation.
- (3) The duration of the guaranty shall be determined by the enforcement agent, after considering the circumstances of the case.
- (4) Based on the order for depositing a guaranty, the enforcement shall be carried out upon a request from the creditor.

Restoring the Prior State

Article 224

- (1) If due to the debtor's behavior contrary to the obligation from the enforcement title a change has occurred that is not in accordance with the right of the creditor, the enforcement agent shall authorize the creditor, upon creditor's request, to restore the prior state at the expense and risk of the debtor, on his/her own and if necessary with the help of the enforcement agent.
- (2) The provisions pertaining to enforcement expenses for actions that can be performed by another person, besides the debtor shall apply in respect of depositing the amount necessary to cover the expenses for restoring the prior state and for determining the final amount of these expenses.

Repeated Disturbance of Possession

Article 225

- (1) If on the basis of an enforcement title, passed in a procedure based on a complaint for disturbance of possession, the enforcement has been carried out or the debtor has performed his/her obligation voluntarily, and then again performed a disturbance of the possession, that in fact, does not differ from the previous one, than the enforcement agent, upon a request from the creditor on the basis of the same enforcement title, shall issue a new order for returning the objects into possession or restoring the condition as it was before the disturbance of the possession.
- (2) The request for enforcement according to paragraph (1) of this Article may be submitted by the creditor within 30 days following the day when s/he learned of the repeated disturbance of possession, but no later than one year after the repeated disturbance.

Chapter Twenty-Three RETURNING AN EMPLOYEE TO WORK

Time Limit for Submission of Request for Enforcement

Article 226

The request for enforcing the enforcement title according to which the employer is obligated to return to work the employee or to entrust him/her again with the tasks that he/she performed previously, can be submitted within six months from the day when the employee obtained the right to submit the request.

Manner of Carrying Out the Enforcement

Article 227

- (1) The enforcement based on the enforcement title according to which the employer is obligated to return to work the employee shall be carried

out by imposing a fine against the employer and the responsible person employed with the employer.

- (2) The fine shall be carried out in accordance with the provisions of Article 222 of this Law for enforcing an action that may be performed only by the debtor.

Chapter Twenty-Four REGISTRATION OF RIGHTS IN A PUBLIC BOOK

Manner of Carrying Out the Enforcement

Article 228

The enforcement of the enforcement title for obtaining a right over a real estate by recording it in a public book, as well as for transfer, limitation or ceasing of the right recorded in a public book, shall be carried out by an order of the enforcement agent to make the appropriate entry in the public book.

Registration of a Property Right When the Debtor is not Registered as the Owner

Article 229

When the debtor is not registered as the owner of that real estate, the registration of the creditor's property right over that real estate can be carried out if the creditor submits evidence, together with the request for enforcement, that the legal predecessor of the debtor is the person registered as owner.

Registration of another Right When the Debtor is not Registered as Owner

Article 230

If the creditor is authorized with the enforcement title to request the registration of a pledge right or some other right over the real estate from the debtor, except the property right, and the debtor is not registered as owner of that real estate, the creditor can request in the request for enforcement that the property right be registered to the debtor, and afterwards to register the creditor's right, if he/she submits evidence that the debtor has obtained property rights over the real estate.

Chapter Twenty-Five SELL OF OBJECTS WHICH CANNOT BE DIVIDED PHYSICALLY

Manner of Physical Division

Article 231

If on the basis of the enforcement title the object which is a joint property is to be sold for purposes of its division, the sale shall be carried out in the manner provided by this Law on enforcement against movable object and real estate, unless the parties agreed otherwise on certain issues.

Expenses of the Enforcement

Article 232

- (1) Expenses related to the caring out of the enforcement shall, in accordance with the provisions this chapter, be covered by all owners or holders of the right to disposition, in proportion to the value of their parts in the joint object.
- (2) The owner, who caused special expenses, shall be obligated to reimburse the expenses to the owners that suffered them.

Chapter Twenty-Six DEPOSITION OF A STATEMENT OF WILL

Article 233

- (1) The obligation for deposition of a statement of will, included in a decision which has a character of an enforcement title, shall be considered as fulfilled by such decision becoming final.
- (2) The obligation for deposition of a statement of will, included in a settlement document (Article 15), shall be considered as fulfilled on the day it becomes due.
- (3) When the fulfillment of the obligation for deposition of a statement of will is conditioned from the fulfillment of certain obligation by the creditor, the debtor shall be considered to have deposited the statement once the creditor performs his/her obligation.

Part Three TRANSITIONAL AND FINAL PROVISIONS

Chapter Twenty-Seven TRANSITIONAL PROVISIONS

Article 234

- (1) Within six months from the day of entry into legal force of this Law, the Minister of Justice shall pass a tariff according to which the enforcement agents shall charge their award for the performed actions.
- (2) Within the time limit of six months from the day of entry into legal force of this Law, the Minister shall pass a Regulation for passing the exam of the enforcement agents, regulation that will define closely the shape and the manner of keeping records of the enforcement agents, regulation that will define the shape and the content of the orders, minutes and other acts that are passed by the enforcement agent during the undertaking of the formal actions. The shape, the content and the manner of issuing and taking away the identification of the enforcement agents shall be also defined in a regulation.
- (3) Within eight of months from the day of entry into legal force of this Law, the Minister of Justice shall determine with a regulation the criteria on the number and the division of the official seats of the enforcement agents on the territory of the Republic of Macedonia and the draft of the division of those seats.
- (4) The Minister shall pass the other regulations envisaged with this Law, within six months from the day of entry into legal force of this Law.

Exam for Enforcement Agents

Article 235

- (1) With the exam for enforcement agents the knowledge of the legal regulations is checked, with which the profession enforcement agent is regulated, the manner of enforcing the enforcement titles, the regulation of the field of companies, enterprises and legal entities overall, the payment operations, records of the rights over real estates, the inheritance, family and the material law, criminal law, civil procedure, non-disputed procedure and other regulations necessary for performing the profession of enforcement agent. During the determination of the content of the exam for the enforcement agent, which consist of oral and written part, the content of the bar exam shall be taken in consideration, in order to avoid repeated examination of the legal material that was covered by the bar exam. The content of the exam for the enforcement agent shall be closely defined with regulation passed by the Minister of Justice.
- (2) The Minister of Justice shall be obligated to organize the initial exams for enforcement agents within eight months from the day of entry into legal force of this Law, and it will be considered that the members of the first exam commission, that will be established by the Minister of Justice, have passed the exam for enforcement agents, for which they will receive a certificate for the passed exam for enforcement agents.

Competition for Appointing Enforcement Agents

Article 236

The Ministry of Justice shall be obligated to publish the first competition for appointment of enforcement agents within the time limit of one month after at least ten candidates have passed the exam for enforcement agents.

Article 236 a

Until appointing enforcement agents to each territory of the basic court, in accordance with Article 31 of this Law and the sub-regulation act which determines the number of enforcement agents for the territories of basic court, the enforcement agents, appointed until the day this Law becomes effective, shall enforce titles for other basic courts which belong to the same appellate district as the court to which the enforcement agent has been appointed.

Establishing the Chamber

Article 237

- (1) The Chamber shall be established when at least 30 enforcement agents will be appointed and start to work on the territory of the Republic of Macedonia.
- (2) The founding meeting of the Chamber shall be convened by the Minister of Justice, at least eight days before the session of the establishment assembly of the Chamber takes place.

Article 238

- (1) Enforcement procedures initiated prior to the day when this Law commences operation shall, until December 31, 2007, be enforced in accordance with the Law on Enforcement Procedure ("Official Gazette of the Republic of Macedonia," No. 53/1997, 59/2000 and 64/2002).
- (2) Requests for enforcement procedures which have been filed in court prior to the day when this Law commences operation, but are not otherwise initiated, shall be carried out in accordance with the provisions of this Law.

Chapter Twenty-Eight

FINAL PROVISIONS

Article 239

From the day when this Law commences operation, the Law on Enforcement Procedure ("Official Gazette of the Republic of Macedonia," No. 53/1997, 59/2000 and 64/2003) shall cease to have effect, except for the cases as provided in paragraph (2) of this Article.

(2) The provisions of Part III – SECURITY PROCEDURE of the Law on Enforcement Procedure ("Official Gazette of the Republic of Macedonia," No. 53/1997, 59/2000 and 64/2003) shall continue to be in force for previous and temporary measures to secure claims, until the day this Law enters into force.

Article 240

This Law shall enter into legal force on the eighth day after its publication in the "Official Gazette of the Republic of Macedonia"; however, it shall commence operation after one year from the day it has entered legal force.